Mindluster Platform

About the course Financial Ratios

A financial ratio or accounting ratio is a relative magnitude of two selected numerical values taken from an enterprise's financial statements. Often used in accounting, there are many standard ratios used to try to evaluate the overall financial condition of a corporation or other organization.What are the five financial ratios? There are five basic ratios that are often used to pick stocks for investment portfolios. These include price-earnings (P/E), earnings per share, debt-to-equity and return on equity (ROE) In general, financial ratios can be broken down into four main categoriesâ€”1) profitability or return on investment; 2) liquidity; 3) leverage, and 4) operating or efficiencyâ€”with several specific ratio calculations prescribed within each.What are ideal financial ratios? #1 â€“ Current Ratio The Current ratio. Current ratio = current assets/current liabilities read more is referred to as a working capital ratio or banker's ratio. ... The ratio of 1 is considered to be ideal that is current assets. It comprises inventory, cash, cash equivalents, marketable securities, accounts receivable,

Business Category's Courses

Course Lesson(28)

Lesson 1 : **How to Calculate ROA Return on Assets**

Lesson 2 : **How to Calculate the Net Profit Margin**

Lesson 3 : **How to Calculate Asset Turnover**

Lesson 4 : **How to Decompose ROA Return on Assets**

Lesson 5 : **Gross Profit Margin Ratio Defined and Explained**

Lesson 6 : **Current Ratio**

Lesson 7 : **Quick Ratio Acid Test Ratio**

Lesson 8 : **Current Cash Debt Coverage Ratio**

Lesson 9 : **Cash Debt Coverage Ratio**

Lesson 10 : **Net Working Capital**

Lesson 11 : **How to Calculate Inventory Turnover**

Lesson 12 : **Debt to Equity Ratio**

Lesson 13 : **How to Calculate the Dividend Payout Ratio**

Lesson 14 : **Market to Book Ratio**

Lesson 15 : **Altman Z score**

Lesson 16 : **Accounts Receivable Turnover Ratio**

Lesson 17 : **Days Sales Outstanding Average Collection Period**

Lesson 18 : **Accounts Payable Turnover Ratio**

Lesson 19 : **Days Payable Outstanding**

Lesson 20 : **Days to Sell Inventory**

Lesson 21 : **Price Earnings P E Ratio**

Lesson 22 : **Cash Flow to Capital Expenditures Ratio**

Lesson 23 : **Operating Cash Flow Ratio**

Lesson 24 : **Fixed Asset Turnover Ratio**

Lesson 25 : **Debt Ratio**

Lesson 26 : **Cash Ratio**

Lesson 27 : **Times Interest Earned Interest Coverage Ratio**

Lesson 28 : **The Equity Multiplier**

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