

# Accounting Ratios

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An accounting ratio compares two aspects of a financial statement, such as the relationship (or ratio) of current assets to current liabilities. The ratios can be used to evaluate the financial condition of a company, including the company's strengths and weaknesses. Examples of financial ratios include the gross margin ratio, operating margin ratio, the debt-to-equity ratio and the payout ratio. Each of these ratios requires the most recent data in order to be relevant.

The Accounting Ratios Report is used to print common industry recognized ratios.

## Ratios included in the report are:

Current Ratio - Current assets divided by current liabilities.

Quick Ratio - Current assets less inventories divided by current liabilities.

Debt to Equity ratio - Total liabilities divided by equity

Working Capital ratio - Net working capital divided by assets

Inventory Turns ratio - Cost of Sales divided by inventory

Return on Assets ratio - Net income divided by total assets

Return on Stockholders Equity ratio

Price Earnings ratio

Once the desired options have been selected on the report options form, click the OK button to display the report in Print Preview mode.

## Report Selections

**Branch** - The default is to display data for All Branches. If the data for only certain Branches is desired, you may highlight the first Branch, then depress the CTRL key and highlight additional Branches within the list. · *Hide Inactive Branches* - If data is not to be listed for inactive Branches, select this option.

**Balance Sheet Ratios As of Date** - This option will default to the Current Accounting Period. If a different Accounting Period is desired, make a selection from the drop-down list.

**Options** - The Equity options are not currently available for this report.

The screenshot shows a software dialog box titled "Accounting Ratios". It features a list of branches on the left, a date selection dropdown, and several option checkboxes and input fields. The "All" branch is selected in the list. The date is set to "10 10/1/2017 - 10/31/2017". The "Use StockHolder Equity" checkbox is unchecked. The "Equity Account" dropdown is empty. The "Shares" and "Price per Share" input fields are also empty. The "Hide Inactive Branches" checkbox is checked. "Ok" and "Close" buttons are at the bottom right.