EXCEL #2

Ratio Analysis

Add a sheet onto Excel #1. Re-name the tab for this sheet “Ratios.” Then, label and calculate all of the following ratios from the Income Statement and Balance Sheet you created in Excel #1. Do not just calculate a number and type it into the cell. The spreadsheet model should calculate the ratios by linking the calculation to the cells in the Income Statement and Balance sheet. This should make your ratios calculation dynamic, so that if I change sales on the Income Statement, the changes will flow through to the ratios.

Key Ratios:

Current Ratio
Quick Ratio
Cash Ratio
Total Debt Ratio
Debt-Equity Ratio
Equity multiplier
Times Interest Earned
Cash Coverage Ratio
Inventory Turnover Ratio
Day’s Sales in Inventory
Receivables Turnover
Days Sales in Receivables
Total Asset Turnover
Capital Intensity
Profit Margin
Return on Assets
Return on Equity