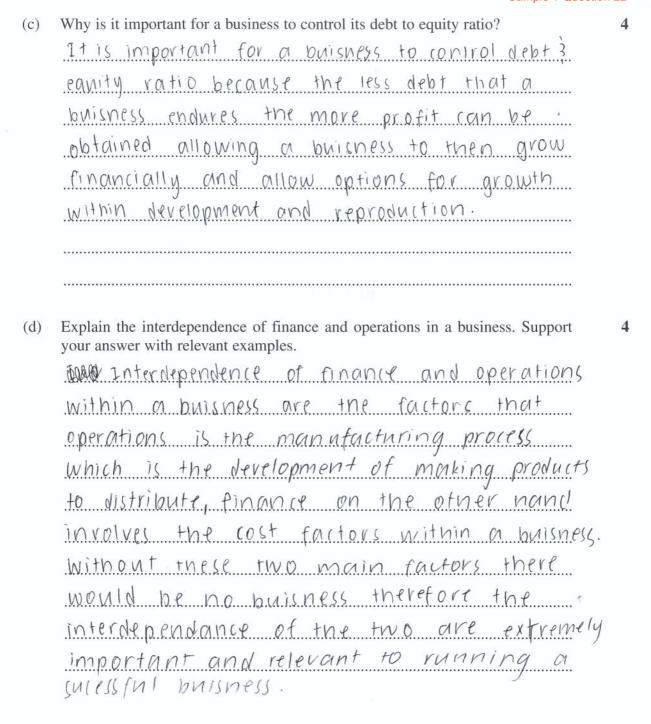
as at year ending 3	0 June 2012	
Current Assets	\$	\$
Cash	8 000	
Receivables	12 000	
Inventories	15 000	35 000
Non-Current Assets		
Property, Plant and Equipment		33 000
Total Assets		68 000
Current Liabilities		
Creditors		14 000
Non-Current Liabilities		
Loan		20 000
Owners Equity		
Capital	15 000	
Retained Net Profit	19 000	34 000
Total Liabilities and Owners Equity	68 000	

(a)	Calculate the current ratio (current assets ÷ current liabilities) of this business. Show all working.	2
	[urrent assets - \$35,000 current liabilities - \$14,000 current assets = 2.5	
	35,000	
	14,000	
(b)	Calculate the debt to equity ratio (total liabilities $\div$ total equity) of this business. Show all working.	2
	Total liabilities = \$34,000 Total equity = \$34,000  liabilities = 34,000 = 2.	



**End of Question 22**