

WORKING CAPITAL MANAGEMENT

DESCRIPTION:

This module covers Net Operating Working Capital and its components, Liquidity Ratios, and the Cash Conversion Cycle and its components of Inventory Conversion Period, Average Collection Period, and Payables Deferral Period.

Tutorial: 28 slides
Problem Sets: 4 problem sets; 30 questions
Average Time: New Module

Sample question from problem set:

Course: Faculty Access (All Modules in Alphabetical Order)
Module: Working Capital Management / Problem Set ID: 1114

AutoZoom is an online auto parts company. Below are sections of their Balance Sheet and Income Statement related to the Cash Conversion Cycle. Please use this information as the basis for the questions that follow regarding working capital management.

Balance Sheet Items (\$000)	2019
Cash on Hand	78
Accounts Receivable	198
Inventory	871
Other Current Assets	42
Total Current Assets	1,189
Accounts Payable	204
Other Current Liabilities	33
Total Short-Term Liabilities	237
Income Statement Items (\$000)	
Revenue	3,950
Cost of Goods Sold	2,120
Purchases	1,610

Problem Sets: 0 / 4 / 2 / 30
Total Questions: 30



What is the Current Ratio for AutoZoom?

TUTORIAL Ratio

PS2 1 2 3 4 5 6 7

SUBMIT ANSWER EXIT