

Name:

Date:

Class:

Lesson 12.2

Practice Your Understanding

1. Knowing the information on the balance sheet is expressed as the accounting equation, determine the amount of assets a business possesses if their total liabilities is \$23,000 and owner's equity is \$57,500. (12.2-1)

Answer:

2. An income statement shows expenses totaling \$185,000 and sales in the amount of \$330,000. Based on this information, calculate the business's operating ratio. (12.2-2)

Answer: