

Turnover Ratios

$$\text{Inventory Turnover Ratio} = \frac{\text{Cost of Goods Sold}}{\text{Average Inventory}}$$

$$\text{Receivables Turnover Ratio} = \frac{\text{Credit Sales}}{\text{Average Accounts Receivable}}$$

$$\text{Capital Employed Turnover Ratio} = \frac{\text{Sales}}{\text{Average Capital Employed}}$$

$$\text{Working Capital Turnover Ratio} = \frac{\text{Sales}}{\text{Working Capital}}$$

$$\text{Asset Turnover Ratio} = \frac{\text{Sales}}{\text{Average Total Assets}}$$

$$\text{Accounts Payable Turnover Ratio} = \frac{\text{Supplier Purchases}}{\text{Average Accounts Payable}}$$