Ace Industries has current assets equal to $3 million. The company’s current ratio is 1.5, and its quick ratio is 1.0. What is the firm’s level of current liabilities? What is the firm’s level of inventories?

***The first version of this homework problem omitted some important information—which made this problem unsolvable.

The Kretovich Company had a quick ratio of 1.4, a current ratio of 3.0, and inventory turnover of 6 times, total current assets of $810,000, and cash of $120,000 in 2002. What were Kretovich’s annual sales and its Days’ sales in receivables for that year?

Also, although we will normally use the inventory turnover ratio as printed in your text (and on the formula sheet), you will need to use the following formula to solve the above problem:

\[
\text{Inventory turnover} = \frac{\text{Sales}}{\text{Inventories}}
\]