Debt Ratio: Calculate Total liabilities ÷ Total assets via the MergentOnline Db.

ACCESS: Select MergentOnline from the library Db list. Use the ‘Basic Search’ TAB to find your company. Select the ‘Company Financials’ TAB and click the ‘Standardized’ link. Select ‘Balance Sheet’ etc. from the drop-down menus. Be sure to click the REFRESH to button to activate your selections.

Summary: The Debt Ratio is not usually provided in the typical ‘Industry Norms & Key Business Ratios’ or ‘Annual Statement Studies’ publications. So, get out that stubby pencil and head to the library! MergentOnline is an excellent place to peruse Balance Sheets to find the numbers you will need to calculate this ratio on your own. The “STANDARDIZED” link may be helpful if you are comparing companies.

More: See an Accounting Handbook or similar secondary source for definitions, explanations, and applications of “Leverage (solvency, long-term debt) Ratios” such as the Debt Ratio.