

Chart of Differences between Current Assets and Liquid Assets

Basis of Difference	Current Assets	Liquid Assets
Meaning	Those assets which are used or utilized within the period of one year are known as Current Asset.	The Liquid assets are those assets which can be converted into cash in very less period of time i.e. in a few days.
Also known as	These are also known as Short Term Assets.	These are also known as quick assets.
Part of	These assets are not a part of liquid assets.	These assets are part of Current assets.
Financial Statement	These assets are shown separately in the financial statement.	These assets are not shown separately in the financial statement.
Need for Calculation	These are calculated to measure the working capital requirement of the business.	These are calculated to measure the liquidity ratio of the business.
Inventory or prepaid Expenses	These assets have included inventory or prepaid expenses.	These assets have not included inventory or prepaid expenses.