

(W1) IRREDEEMABLE DEBT

$$\text{MARKET VALUE} = 20m \times \frac{6}{6} = \underline{\underline{20m}}$$

(W2) REDEEMABLE DEBT

FOR £100 NOMINAL :

		6% DF	PV
1-7	7	5.582	39.074
7	105	0.665	69.825
			<u><u>108.899</u></u>

$$\therefore \text{MARKET VALUE} = 24m \times \frac{108.899}{100} = \underline{\underline{26.16m}}$$

(W3) EQUITY

$$\text{MARKET VALUE} = 30m \times 5.50 = \underline{\underline{165m}}$$

$$\text{GEARING RATIO (MARKET VALUES)} = \frac{20 + 26.16}{\text{NPL} + 165 + 20 + 26.16}$$

$$= \underline{\underline{21.8\%}}$$

$$\text{GEARING RATIO (BOOK VALUES)} = \frac{20 + 24}{30 + 306 + 20 + 24}$$

$$= \underline{\underline{11.58\%}}$$

(ii)

- ISSUE OF NEW SHARES (PUBLIC, PLACING, RIGHTS)
 - SCRAP DIVIDENDS
 - DEBENTURES
 - LOAN
 - STOCK BONDS
 - CROWD FUNDING
 - PEER TO PEER FUNDING
 - PREFERENCE SHARES
 - ISLAMIC FINANCE
- } RARE FOR plc's