

INVESTMENT RATIO

<u>Profit before interest</u>	profit before taxation	2018	539 x 100% = <u>5.53</u>
Assets employed	current assests	2019	9,736

<u>Earnings</u>	operating profit	2018	699 x 100% = 233
Ordinary share capital and reserves	ordinary share capital	2019	300

<u>Earnings</u>	<u>operating profit</u>	2018	699 = 0.65
Number of ordinary shares	share premium	2019	1,071

<u>Market price</u>	<u>marketing and selling costs</u>	2018	1,324 = 0.77
<u>Earning per share</u>	<u>retained profits</u>	2019	1,717

PROFITABILITY

<u>Gross profit</u>	<u>gross profit</u>	2018	3,345 = 1.03
Sales	cost of sale	2019	3,235

<u>Net profit</u>	<u>profit of the year</u>	2018	366 = 0.11
Sales	cost of sale	2019	3,235

EFFICIENCY RATIO

<u>Turnover</u>	<u>administrative expenses</u>	2018	950 = 0.09
Assests Employed	total assets	2019	9,736

<u>Inventory</u>	<u>inventory</u>	2018	659 x 365 = 74.35
Cost of sales	cost of sale	2019	3,235

<u>Trade receivables</u>	current assests trade receivables	2018	1,287 x 365 = 243.64
Credit sales	creditors	2019	1,928

<u>Trade payables</u>	<u>current liabilities trade payables</u>	2018	655 x 365 = 57.78
Credit purchases	loan and other borrowings	2019	4,137

LIQUIDITY RATIOS

<u>Current assests</u>	<u>total assests</u>	2018	1,087 = 1.86
Current liabilities	trade payable	2019	583

<u>Current assests- inventory</u>	<u>current assests</u>	2018	659 = 1.13
Current liability	liability	2019	583

FINANCING RATIOS

<u>Debt</u>	<u>share premium</u>	2018	1,071 x 100% = 62.37
Debt+ equity	retained profit	2019	1,717

<u>Profit before interest</u>	<u>profit/(loss) before taxation</u>	2018	(5) = 0.02
Interest charges	interest payable	2019	226

INCOME STATEMENT
FOR YEAR ENDED 31 DECEMBER 2018

	AMOUNT		AMOUNT
COST OF SALE	57,8650	SALE	826,000
ADMINISTRATION EXPENSES	30,000	CREDIT	980
INTEREST	2,000		
REMUNERATION	5,000		
DISTRIBUTION COST	28,000		
COMMISSION	3,000		
TOTAL	646,650	TOTAL	826,980
PROFIT BEFORE TAXATION	180,330		
TAXATION	68,000		
TOTAL	826,980	TOTAL	826,980