**Calculate the financial ratios for Yummy Chocolates Ltd from the information in the three tables below.**

**Table 1: YC Ltd Statement of Financial Performance for the year ended 31 March 2007**

|  |  |  |  |
| --- | --- | --- | --- |
| **Sales** |  |  | **240,000** |
|  **Less cost of goods sold:** |  |  |  |
|  **Opening stock** | **16,000** |  |  |
|  **Purchases** | **80,000** | **96,000** |  |
|  **Closing stock** |  | **12,000** | **84,000** |
| **Gross Profit** |  |  | **156,000** |
| **Less Expenses:** |  |  |  |
|  **Selling** |  | **24,600** |  |
|  **Administration** |  | **28,900** |  |
|  **Financial** |  | **18,000** | **71,500** |
| **Net Profit Before Tax** |  |  | **84,500** |
| **Less tax** |  |  | **25,350** |
| **Net Profit After Tax** |  |  | **59,150** |
| **Retained earnings brought forward** |  |  | **21,700** |
|  |  |  | **80,850** |
| **Less proposed dividend** |  |  | **12,000** |
| **Retained earnings carried forward** |  |  | **68,850** |

**Table 2: YC Ltd Statement of Movements in Equity for the year ended 31 March 2007**

|  |  |  |  |
| --- | --- | --- | --- |
| **Equity:** |  |  |  |
| **Share Capital** |  |  | **86,050** |
| **Retained Earnings** |  |  | **68,850** |
| **Total Equity** |  |  | **154,900** |

**Table 3: Statement of Financial Position as of 31 March 2007**

|  |  |  |  |
| --- | --- | --- | --- |
| **Equity** |  |  | **154,900** |
| **This is represented by:** |  |  |  |
| **Current Assets** |  |  |  |
|  **Bank** | **67,800** |  |  |
|  **Accounts receivable** | **23,000** |  |  |
|  **Stock** | **12,000** | **102,800** |  |
| **Current Liabilities** |  |  |  |
|  **Creditors** | **15,000** |  |  |
|  **Taxes payable** | **4,200** |  |  |
|  **Proposed Dividends** | **12,000** | **31,200** |  |
| **Working Capital** |  |  | **71,600** |
| **Non-current Assets** |  |  |  |
|  **Building** |  | **31,600** |  |
|  **Equipment** |  | **12,000** |  |
|  **Vehicles** |  | **25,700** |  |
|  **Furniture and fittings** |  | **14,000** | **83,300** |
| **Total Net Assets** |  |  | **154900** |

**Market price per share $1.06; the company has 86,050 $1 shares fully paid**

**Complete the calculations for Profitability.**

|  |  |
| --- | --- |
| **Ratio** | **Calculation** |
| **Gross Profit** |  |
| **Net Profit** |  |
| **Return on Total Assets** |  |

**Complete the calculations for Asset Utilisation.**

|  |  |
| --- | --- |
| **Ratio** | **Calculation** |
| **Inventory Turnover** |  |
| **Accounts Receivable Turnover** |  |

**Complete the calculations for Working Capital Management**

|  |  |
| --- | --- |
| **Ratio** | **Calculation** |
| **Current Ratio** |  |

**Complete the Calculations for Long Tern Financial Stability**

|  |  |
| --- | --- |
| **Ratio** | **Calculation** |
| **Debt to Total Assets** |  |
| **Debt to Equity** |  |

**Complete the Calculations for Financial Markets**

|  |  |
| --- | --- |
| **Ratio** | **Calculation** |
| **Earnings per Share** |  |
| **Price Earnings** |  |