

Profitability		
1. Return on Capital Employed	$\frac{\text{Net Profit (Before Interest)} \times 100}{\text{Capital Employed}}$	%
2. Return on Shareholders Equity	$\frac{\text{Net Profit (After Pref Dividend)} \times 100}{\text{Capital Employed (Minus Debt)}}$	%
3. Gross Profit Margin	$\frac{\text{Gross Profit} \times 100}{\text{Sales}}$	%
4. Net Profit Margin	$\frac{\text{Net Profit} \times 100}{\text{Sales}}$	%
Gearing		
5. Gearing Ratio	$\frac{\text{Debt Capital} \times 100}{\text{Total Capital}}$	%
6. Interest Cover	$\frac{\text{Net Profit (Before Interest)}}{\text{Interest}}$	Times
Liquidity		
7. Current (Working Capital) Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$? : 1
8. Acid Test (Quick) Ratio	$\frac{\text{Current Assets} - \text{Stock}}{\text{Current Liabilities}}$? : 1
Activity		
9. Stock Turnover	$\frac{\text{Cost of Sales}}{\text{Average Stock}}$	Times
10. Debtors Collection Period	$\frac{\text{Trade Debtors} \times 12}{\text{Credit Sales}}$	Months
11. Creditors Collection Period	$\frac{\text{Trade Creditors} \times 12}{\text{Credit Purchases}}$	Months

Investment		
12. Earnings Per Share	<u>Net Profit - Preference Dividend</u> Number of Ordinary Shares	Cent
13. Dividend Per Share	<u>Total Dividend - Preference Dividend</u> Number of Ordinary Shares	Cent
14. Earnings Yield	<u>Earnings Per Share</u> x 100 Market Share Price	%
15. Dividend Yield	<u>Dividend Per Share</u> x 100 Market Share Price	%
16. Price Earnings Ratio	<u>Market Share Price</u> Earnings Per Share <u>Market Share Price</u> Dividend Per Share	Years
17. Dividend Cover	<u>Net Profit - Preference Dividend</u> Total Dividend - Preference Dividend	Times
18. Projected Market Value	Price Earnings Ratio x Earnings Per Share	Cent
19. Real Return	Dividend Yield x Dividend Cover	