

QUESTION

1. The following information is available for the year ended 31 December 2019:

Revenue: 100,000
Cost of Sales: 60,000
Gross Profit: 40,000
Operating Expenses: 20,000
Operating Profit: 20,000
Finance Costs: 5,000
Profit Before Tax: 15,000
Tax: 3,000
Profit After Tax: 12,000

Required: Calculate the following ratios for the year ended 31 December 2019:

(a) Gross Profit Ratio
(b) Operating Profit Ratio
(c) Profit Before Tax Ratio
(d) Profit After Tax Ratio