

**Success Dennis Osanuife**

**Economics DEPARTMENT**

**ACC202**

**18/SMS01/033**

\*Profitability ratio

\*liquidity

\*Working capital efficiency ratio

B. comment on the liquidity of Ajahaku plc stating the refund point to which relevant ratio ca

Profitability ratio

return on capital employed

ROCE = Profit before interest and taxation \* 100

capital employed

ROCE= 220,000

b] Return on equity/ return on share holder capital

ROE/ROSE= PROFIT AFTER TAXATION AND PREFERENCE \*100

DIVIDEND

SHARE CAPITAL AND RESERVES EXCLUDING PREFERENCE SHARE CAPITAL

112,000 \*100

C] Operating profit margin =  
112,000 \*100

112,000

d] Gross profit margin = Gross profit \*100

Revenue/sales

500,000 \*100

2]

Liquidity ratio

current ratio =  $\frac{\text{Current assets}}{\text{Current liability}}$

Current liability

an be compared.

\*100

700,000

16

700,000

16

\*100

2,000,000

5.6

2,000,000

400

760,000

700,000

1.086

1.09