

Ogisi John
17/5/2020

Accounting Department
Acc 302

(19)

NUASA Bank

Statement of Profit or Loss and Other Comprehensive
Income for the Year ended 31st Dec. 2019.

	A	A
Interest Income		18,500,000
Interest Expense		(58,000,000)
Net Interest Income		1,270,000
Loan Impairment Charges		(2,880,000)
Net Interest Income After Impairment changes		124,230,000
Fee and Commission Income		4,665,100
Fee and Commission Expense		(1,800,000)
Net fee Income		44,851,900
Net Gains on financial Instrument		7690,000
Other Income		3980,000
Depreciation and Amortization		(12,115,000)
Other Operating Expenses		(27273,000)
Net Impairment change		(150,000)
Personnel Expense		(23,700,000)
General and Administrative Expense		(2,250,000)
Operating lease Expense		(807,000)
Profit Before Taxation		94,099,900
Income Tax Expenses		(17,000,000)
Profit for the Year		77,099,900

19)

NUASA BANK

Statement of Other Comprehensive Income for the
Year ended 31st Dec 2019.

	A	A
Profit for the Year		77,099,900
Other Comprehensive Income to be reclassified to P/L in subsequent years:		
Actuarial Gain	655,169	
Income Tax (25%)	(163,942)	491,227
Foreign Currency Translation Differences for Foreign Operations	1,039,643	
Income Tax (25%)	(259,911)	779,732
Net change in fair value Available for Sale Financial Assets	4,050,429	
Income Tax (25%)	(1,020,109)	3,030,320
Total Comprehensive Income for the Year		<u>81,431,751</u>

(2) a)

NUASA Insurance PLC

Statement of financial Position as at 31st Dec. 2019.

	#	#
<u>Asset:</u>		
Cash and Cash Equivalents		6,487,403
financial Assets		57,903,833
Trade Receivables		123,848
Reinsurance Asset		2,479,669
Deferred Acquisition Cost		264,842
Other Receivables and Prepayment		282,805
Deferred Tax Asset		1,707,097
Investment in Subsidiaries		2,308,690
Investment Property		1,115,000
Goodwill and Other Intangible Assets		1,120,871
Property and Equipment		5,111,828
Statutory Deposit		530,000
Total Assets		<u>81,762,266</u>

Liabilities.

Insurance Contract Liabilities

Investment Contract Liabilities

Trade Payable

Other Payable and Accruals

Current Tax Payable

Deferred Tax Liability

Borrowing

Finance Lease Obligations

Distribution Liability

Total Liability

~~55379977~~
55379977
~~82950716~~
8295046
~~1549548~~
1549548
~~2432081~~
2432081
~~518443~~
518443
~~263422~~
263422
~~1134840~~
1134840
~~49854~~
49854
~~319274~~
319274

69940491

Equity:

Issued Share Capital

Share Premium

Reserve

Available for Sale Reserve

Exchange for Reserve

Contingency Reserve

Retained Earnings

Total Liability Equity

3,465,102
2,824,389
1,221,787
(1,272,353)
1,48,521
3,482,076
1,02,6516

7938626

a) i) Originating Timing Differences: are timing differences that occur for the first time while;

Reversing Timing Differences: are timing differences which reverse originating timing differences from previous accounting periods.

ii) Current tax: Is the amount of income tax receivable or payable by an entity for respect of its taxable profit or loss while;

Deferred Tax: Is an accounting measure which represents tax ~~receivable or payable~~ receivable or payable in future accounting periods in relations to transactions which have already taken place.

c)

~~Jaytee~~
JAYTEE LTD

(9)

Debitum Receivable		Debitum Interest	
₹	₹	₹	₹
19,500	Bank 16,625	14,800	1,000
	WHT 875	WHT 960	
<u>17,500</u>	<u>17,500</u>	<u>15,760</u>	<u>1,000</u>

With holding Tax		Debitum	
₹	₹	₹	₹
Debitum Rec. 65	Debitum 900	Debitum 1,180	Debitum 1,180
<u>65</u>	<u>900</u>		current tax 3500

Current Tax		Deffered Tax	
₹	₹	₹	₹
Bank 5,000	Bank 16,760	Bank 15,800	
Bal 42 5,500	Pool 5,400	Pool 960	
<u>10,000</u>	<u>10,000</u>	<u>16,760</u>	<u>16,760</u>

Statement of Profit or Loss

Net profit	₹ 4,70,500
Interest Income	17,500
Interest Paid	(15,800)
	<u>4,69,200</u>
Capital Allowance	35,700
Depreciation	(35,500)
Timing Difference	<u>3,200</u>
Deffered Tax	30% × 3,200 = 960

(14) (a) Quick Ratio

$$= \frac{\text{Current Assets} - \text{Inventory}}{\text{Current Liabilities}}$$

• Night Ferry

$$= \frac{39,400,000 - 45,500,000}{65,690,000}$$

Light Ferry

$$= \frac{45,400,000 - 50,000,000}{30,650,000}$$

~~2) Div~~

2) Dividend Pay out Ratio

$$= \frac{\text{DPS}}{\text{EPS}} \times 100$$

Night Ferry

$$\text{DPS} = \frac{6,055,000}{250,000,000} = 0.2422$$

Light Ferry

$$\text{DPS} = \frac{5,625,000}{220,000,000} = 0.2557$$

$$\text{EPS} = \frac{150,000,000 - 32,000,000}{250,000,000} = 0.472$$

$$\text{EPS} = \frac{188,250,000 - 29,800,000}{220,000,000} = 0.493$$

$$= \frac{118,000,000}{250,000,000} = 0.472$$

$$\therefore \text{DPR} = \frac{0.2422}{0.472} \times 100 = 51.32\%$$

$$\text{DPR} = \frac{0.2557}{0.493} \times 100 = 51.92\%$$

3) Earnings Yield

$$= \frac{\text{EPS}}{\text{MPS}} \times 100$$

Night Ferry

$$\frac{0.472}{3.25} \times 100$$

Light Ferry

$$\frac{0.493}{2.55} \times 100$$

iii) Gearing Ratio

$$= \frac{\text{Debt}}{\text{Equity}}$$

Night firm

$$= \frac{26000000 + 65670000}{39024500}$$

$$= 0.23$$

Light firm

$$= \frac{27200000 + 30650000}{327250000}$$

$$= 0.18$$

Both companies are lowly geared meaning that they have more equity capital than debts to be paid. However, firm is less geared.

iv) ROCE

$$= \frac{\text{Profit (Return)}}{\text{Capital Employed}}$$

Night firm

$$= \frac{15000000}{390245000}$$

$$= 0.38$$

Light firm

$$= \frac{138250000}{329250000}$$

$$= 0.42$$