

Name: Ipeosame Faith.

Matric Number: 17/SMS02/023.

1

NUAST BANK

Statement of Profit or Loss for the year ended 31st December, 2019.

N

Interest Income	185,003,000
Interest Expense	(58,000,000)
Net Interest Income	<u>127,003,000</u>
Loan Impairment Charges	(2,880,000)
Net Interest Income after loan impairment charges	<u>124,123,000</u>
Fees & Commission Income	46,651,900
Fee & Commission Expense	(1,800,000)
Net Fee and Commission	<u>44,851,900</u>
Net gains of financial instruments held for trading	7,690,000
Other Income	3,980,000
Net impairment charges on Financial Asset	(150,000)
Personal Expense	23,700,000
General & Admin exp.	22,500,000
Operating Lease exp.	(807,000)
Depreciation & Amortization	12,115,000
Other Operating exp.	27,272,000
Profit before Income Tax	<u>94,100,900</u>
Income Tax Expense	17,000,000
Profit for the year	<u><u>77,100,900</u></u>

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

	#	#
Profit for the year.		77,100,900
Other Comprehensive Income to be re-classified to P or L (in subsequent years).		
Actuarial Gain	657,769	
*Income Tax (25%).	<u>(163,942)</u>	491,827
Foreign Currency Transaction Differences for foreign operations	1,039,643	
*Income Tax @ 25%	<u>(259,911)</u>	779,732
Net Change in fair value of available for sale financial assets	4,080,429	
Income Tax (25%)	<u>(1,020,107)</u>	3,060,322
Total Comprehensive Income Tax for the year		<u>81,431,781</u>

b
 NUASA BANK
 Statement of Financial Position of Position of NUASA Bank for the year ended 31st December, 2019.

	#	#
<u>Assets</u>		
Cash and Bank Balances		455,296,196
Derivative Financial Assets		2,839,078
Available for Sale Assets		463,089,625
Assets Held to Maturity		2,007,253
Assets Pledged as Collateral		58,961,722
Restricted deposits and other Asset		433,528,669
Investment in Subsidiaries.		46,207,004
Property and Equipment.		84,979,798

Intangible Assets	4,501,296
Financial Assets held for trading	16,652,356
Assets Classified as held for sale	850,820
Liabilities.	
Current Income Tax Liabilities	24,009,770
Debt Securities Issued	92,131,923
Financial Liabilities held for trading	2,647,469.
loans & advances to banks	43,480
Loans and advances to customers	1,265,971,688
Derivative Financial Liabilities.	2,606,586
Other Liabilities	203,019,404
Other borrowed Funds.	219,671,384
Deposits from Customer	1,697,560,947
Deposits from Bank	42,360
Deferred from Liabilities	12,814,766
Liabilities included in assets classified as held for sale	847,600
Equity & Reserves	
Retained Earnings	109,594,239
Other Components of equity	330,795,831
Share Capital	14,715,591
Share Premium	13,471,114

NUASA Insurance Plc

2a) Statement of Financial Position as at 31, Dec. 2014

₺

<u>Assets</u>	6,437,403
Cash & Cash equivalents,	57,903,833
Financial Assets	
Trade Receivable	123,848
Re-insurance Assets.	2,479,069
Deferred.	264,842
	282,805
	1,707,097

3 a) - Difference between originating and Reversing Timing Difference

i) Originating difference includes the initial timing difference between taxable income and accounting income before tax while reversing timing difference includes the journal entries required to eliminate the effect the difference had on deferred income taxes in previous periods.

ii) Originating difference occurs for the first time while reversing timing difference reverse originating timing difference from the previous accounting period.

- Difference between Current and Deferred Tax

Current tax is an amount of income tax payable or recoverable of an entity's taxable profit or loss for an accounting period while deferred tax is an amount of tax payable or recoverable in future accounting period in relations to previous transactions.

b) Companies compute and account for deferred tax because payment of tax before time to ~~create~~ create deferred tax assets help a company that want to decrease their tax liability. A deferred tax liability will ultimately translate itself into an actual liability so its important a company computes for it.

Jay Tee Ltd

Capital Allowance	38,700
Depreciation	<u>35,500</u>
	3,200
Deferred Tax (30% x 3,200)	<u>960</u>

Debtore Receivable	
Por L	<u>17,500</u>
Bank	16,625
WHT	<u>875</u>
	<u>17,500</u>

Debtore Interest	
Bank	17,860
Por L	18,800
WHT	<u>940</u>
	<u>18,800</u>

Withholding Tax	
Debtore Rec.	875
Bank	<u>65</u>
	<u>940</u>

Bank	
Deb. Receiv	16,625
Deb. Int.	17,860
Current Tax	<u>39,600</u>

Current Tax	
Bank	35,000
Bal y/d	<u>65,000</u>
	<u>100,000</u>

Deferred Tax	
Bal y/d	16,760
Bal y/d	<u>15,800</u>
	<u>960</u>
	<u>16,760</u>

Statement of Financial Position.

Net Profit
Interest Income
Interest Paid

	₹
	470,500
	17,500
	(18,800)
	<u>469,200</u>

4

Night Fury Nig Ltd & Light Fury Nig Ltd.

a Computation and Interpretation of Accounting Ratios

* i) Dividend Pay-Out Ratio

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

For Night Fury

$$\begin{aligned} \text{DPS} &= \frac{60,550,000}{250,000,000} \\ &= 0.2422 \end{aligned}$$

$$\begin{aligned} \text{EPS} &= \frac{150,000,000 - 32,000,000}{250,000,000} \\ &= \frac{118,000,000}{250,000,000} \\ &= 0.472 \end{aligned}$$

$$\begin{aligned} \therefore \text{DPR} &= \frac{0.2422}{0.472} \times 100 \\ &= 51.3\% \end{aligned}$$

For Light Fury.

$$\begin{aligned} \text{DPS} &= \frac{56,250,000}{220,000,000} \\ &= 0.2557 \end{aligned}$$

$$\begin{aligned} \text{EPS} &= \frac{138,250,000 - 29,800,000}{220,000,000} \\ &= \frac{108,450,000}{220,000,000} \\ &= 0.493 \end{aligned}$$

$$\begin{aligned} \text{DPR} &= \frac{0.2557}{0.493} \times 100 \\ &= 51.9\% \end{aligned}$$

ii Earnings Yield

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

For Night Fury

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

$$= 14.5\%$$

For Light Fury,

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

$$= 19.3\%$$

iii Gearing Ratio

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

For Night Fury

$$= \frac{26,000,000 + 65,670,000}{390,275,500}$$

$$= \frac{91,670,000}{390,275,500}$$

$$= 0.23$$

For Light Fury,

$$= \frac{27,200,000 + 30,650,000}{327,250,000}$$

$$= \frac{57,850,000}{327,250,000}$$

$$= 0.18$$

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

4a iv) Quick Ratio.

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

For Night Fury

$$= \frac{39,400,000 - 45,500,000}{65,670,000}$$

=

For Light Fury.

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

v) ROCE.

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

For Night Fury

$$= \frac{150,000,000}{390,275,000}$$

$$= 0.3845$$

$$= 0.38$$

For Light Fury

$$= \frac{138,250,000}{327,250,000}$$

$$= 0.4224$$

$$= 0.42$$