### FORMULA SHEET

<table>
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<th>Term</th>
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| Gross profit                            | \[
| Sales                                   | \left( \frac{\text{Gross profit}}{\text{Sales}} \right) \times 100
| Cost of sales                           | \left( \frac{\text{Gross profit}}{\text{Cost of sales}} \right) \times 100
| Net profit                              | \left( \frac{\text{Net profit}}{\text{Sales}} \right) \times 100
| Operating expenses                      | \left( \frac{\text{Operating expenses}}{\text{Sales}} \right) \times 100
| Operating profit                        | \left( \frac{\text{Operating profit}}{\text{Sales}} \right) \times 100
| Net profit after tax                    | \left( \frac{\text{Net profit after tax}}{\text{Average shareholders' equity}} \right) \times 100
| Average shareholders' equity            | \left( \frac{\text{Net profit before tax + interest expense}}{\text{Average capital employed}} \right) \times 100
| Current assets : Current liabilities    | \left( \frac{\text{Current assets - inventories}}{\text{Current liabilities}} \right)
| Average debtors                         | \left( \frac{\text{Average debtors}}{\text{Credit sales}} \right) \times 365 or 12
| Average creditors                       | \left( \frac{\text{Average creditors}}{\text{Credit purchases}} \right) \times 365 or 12
| Cost of sales                           | \left( \frac{\text{Cost of sales}}{\text{Average inventories}} \right)
| Average inventories                     | \left( \frac{\text{Average inventories}}{\text{Cost of sales}} \right) \times 365 or 12
| Closing inventories                     | \left( \frac{\text{Closing inventories}}{\text{Cost of sales}} \right) \times 365 or 12
| Non-current liabilities : Shareholders' equity | \left( \frac{\text{Non-current liabilities}}{\text{Shareholders' equity}} \right)
| Total assets : Total liabilities        | \left( \frac{\text{Total assets}}{\text{Total liabilities}} \right)
| Profit after tax                        | \left( \frac{\text{Profit after tax}}{\text{No. shares in issue}} \right)
| Ordinary share dividends                 | \left( \frac{\text{Ordinary share dividends}}{\text{No. shares in issue}} \right)
| Fixed cost                              | \left( \frac{\text{Fixed cost}}{\text{Selling price per unit - Variable cost per unit}} \right)
| Total ordinary shareholders' equity     | \left( \frac{\text{Total ordinary shareholders' equity}}{\text{No. shares in issue}} \right)