

	20X2	20X1
ROCE	20.1% = 5000/(6000+18830)	16.8% = 4000/(6000+17880)
ROS: OPBIT (or EBIT)/Sales	10.6% = 5000/47000	9.8% = 4000/41000
Asset Turnover	1.89 = 47000/(6000+18830)	1.72 = 41000/(6000+17880)
Gross Profit to Sales (Gross Profit Margin)	31.9% = 15000/47000	31.7% = 13000/41000
Current Ratio	2.4:1 = 17400/7200	2.4:1 = 11580/4800
Quick Ratio	0.97:1 = (17400-10200-200)/7200	1.04:1 = (11580-6400-200)/4800
Average Age of TR	45 = 5800/47000*365	34 = 3800/41000*365
Average Age of Inventory	116 = 10200/32000*365	83 = 6400/28000*365
Interest Cover	8.3 = 5000/600	6.7 = 4000/600
Gearing Ratio	24.2% = 6000/(6000+18830)	25.1% = 6000/(6000+17880)
revised ratios based on the new investment proposal from the question		
ROCE	24.3% = (5000+2000)/(6000+18830+4000) = asset turnover*ROS	
ROS: OPBIT (or EBIT)/Sales	14.9% = (5000+2000)/47000	
Asset Turnover	1.63 = 47000/(6000+18830+4000)	
Gross Profit to Sales (Gross Profit Margin)	36.2% = (15000+2000)/47000	
<i>*The 2,000 represents the cost savings generated by the proposed investment, which would increase EBIT, while the 4,000 represents the additional funding potentially required, which would increase capital employed.</i>		