Practical no. 4
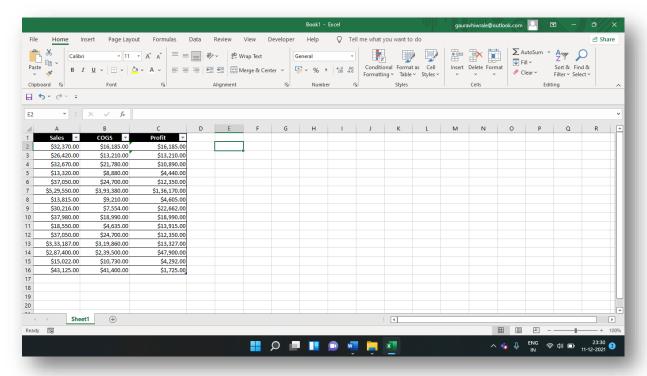
Title: Find out margin and common ratio

Objective:

1. To learn about how to calculate a margin and common ratio Theory:
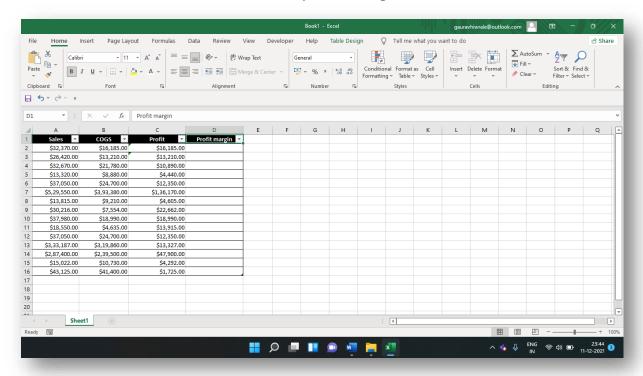2. Margin:
3. Common ratio:

Performance and result:

All operations are performed on the following workbook. Financial sample
Following are the observations and operations performed on the sample
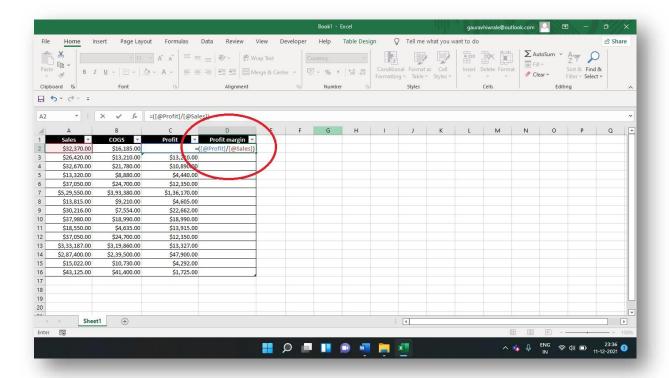workbook: MARGIN:
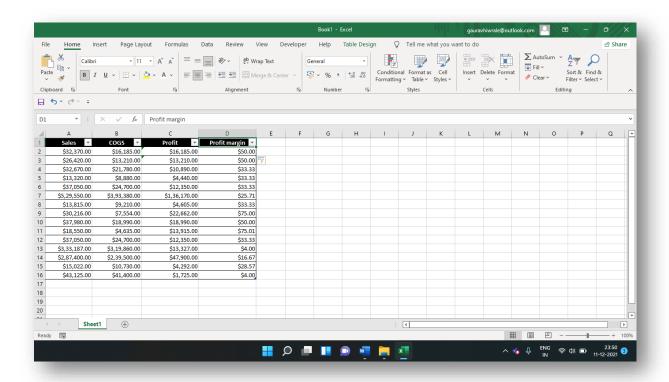
1. First open the sample workbook.

2. Then insert a column with name profit margin.

3. After that select a D2 Cell on that type the formula to calculate margin. i.e" =(C2/A2) * 100 " .i.e. profit/sale*100.
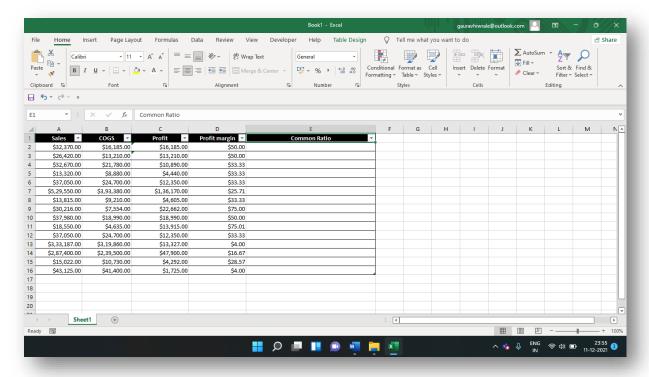
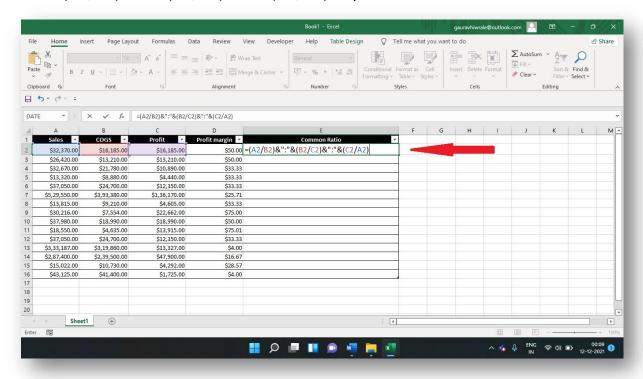

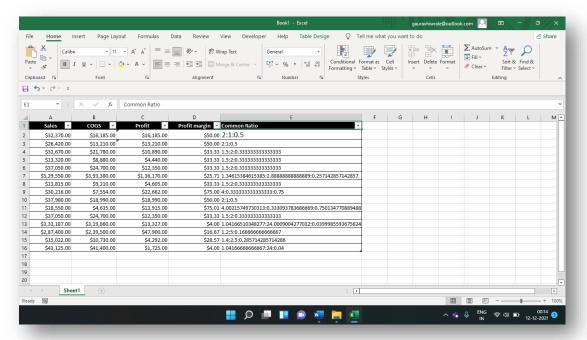4. Then press **ENTER** to see the **RESULT**.

Common Ratio:

1. To calculate common ratio, insert a common ratio column

2. After if you want to calculate the common ratio, we have a common ratio formula let consider 3 column A, B, C. If we want to calculate the ratio of A:B:C then the formula will be =(A/B) & ":"&(B/C)&":"&(C/A).

3. Now for the sample worksheet we will calculate ratio of sales, cost and profit i.e. Sale: Cost: Profit. For calculating this the formula will become. =(A2/B2)&":"&(B2/C2)&":"&(C2/A2). Input this formula in E2.

4. Then press **ENTER** to see the **RESULT**.

Discussion and conclusion:

After performing this practical we understood uses of profit margin and common ratio in calculation of financial data.
Also we understood how to calculate it
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Assessment Details:

Date of Lab conducted	Date of Evaluation	Grade	Sign & Remark (if any)