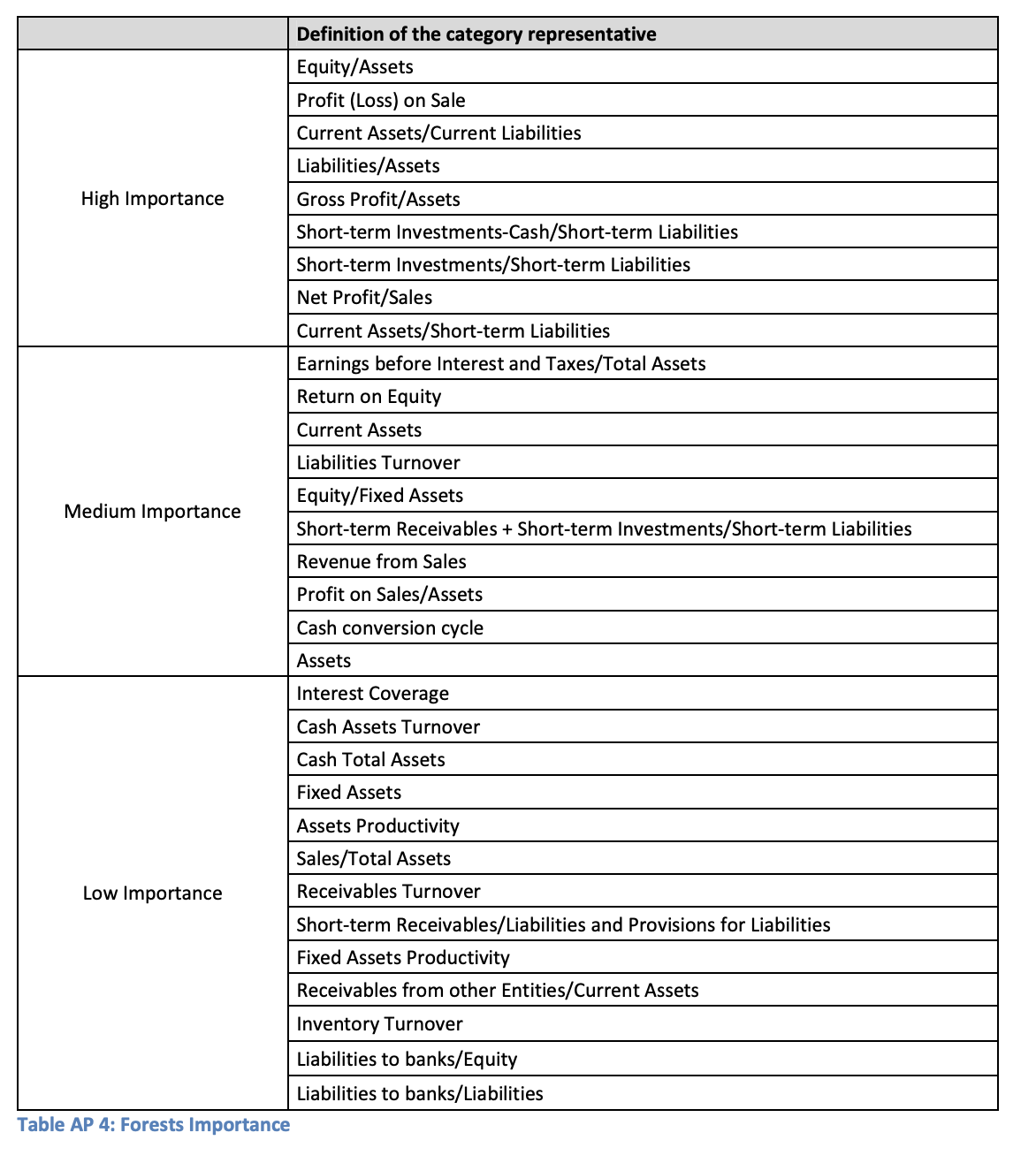
**Explication of the dataset columns**

Here is a recap of the most-used categories in finance:



**Explication of the data set columns:**

In this data set, there are formally two classifications for companies:

1) The companies which went bankrupt shown by 1

2) The companies which were not bankrupt shown by 0

**1. \*\*X1 Net Profit / Total Assets:\*\***

- Measures net profitability in relation to total assets.

This column represents the ratio of net profit to a company's total assets. It measures a company's profitability by comparing the net profit made over a given period with the value of its total assets. A high ratio indicates greater profitability and a more efficient use of assets.

**2. \*\*X2 Total Liabilities / Total Assets:\*\***

- Gives the proportion of liabilities to total assets.

This column represents the ratio of a company's total liabilities to its total assets. It measures the proportion of resources financed by debt in relation to the total value of assets. A high ratio may indicate a high level of debt, which may increase the company's financial risk.

**3. \*\*X3 Working Capital / Total Assets:\*\***

- Indicates the proportion of working capital to total assets.

This column represents the ratio of working capital to a company's total assets. Working capital is the difference between current assets (such as inventories, trade receivables and cash) and current liabilities (such as short-term debts). This ratio measures a company's ability to cover its short-term obligations with its assets. A high ratio indicates a better ability to meet short-term obligations.

**4. \*\*X4 Current Assets / Short-term Liabilities:\*\***

- Measures the ability to cover short-term liabilities with current assets.

This column represents the ratio of a company's current assets to its short-term liabilities. It measures the company's ability to meet its short-term obligations by comparing the value of easily liquid assets (such as inventories, trade receivables, cash) with short-term liabilities. A high ratio indicates better liquidity and a greater ability to repay short-term debts.

**5. \*\*X5 [(Cash + Short-term Securities + Receivables - Short-term Liabilities) / (Operating Expenses - Depreciation)] \* 365:\*\***

- Gives the number of days that the company can finance its current activities without having to raise new funds.

This figure represents the number of days a company can pay its current expenses without having to borrow money or raise new funds. It is calculated using certain financial information about the company, such as cash on hand, short-term debts and operating expenses. The higher the figure, the better, as this means that the company has sufficient resources to cover its expenses for a longer period.

**6. \*\*X6 Retained Earnings / Total Assets:\*\***

- Measures the proportion of retained earnings to total assets.

This figure measures the proportion of profits that a company has kept for itself rather than distributing to shareholders or using to repay debts. It shows how much profit has been reinvested in the business in relation to the total value of the things it owns (such as money, equipment, buildings, etc.).

**7. \*\*X7 EBIT / Total Assets:\*\***

- Measures the return on assets before tax and interest.

This figure assesses a company's profitability by looking at how much money it earns in relation to the value of its assets. It does not take into account interest or tax. A higher figure generally means that the company is efficient in using its assets to generate profits.

**8. \*\*X8 Book Value of Equity / Total Liabilities:\*\***

- This figure shows how much money the company has invested compared to the money it owes to other people or organisations. It shows how much of the company's assets actually belong to the owners compared to how much is owed to third parties.

**9. \*\*X9 Sales / Total Assets:\*\***

- Measures the efficiency with which assets are used to generate sales.

This figure measures the effectiveness of the company in transforming its assets into sales. It indicates how much money the company generates in sales for each dollar of assets it owns.

**10. \*\*X10 Equity / Total Assets:\*\***

- Gives the proportion of equity to total assets.

This figure shows the proportion of the company's assets that belong to the owners in relation to the total value of the company's assets. It shows how much of the business is financed by the owners rather than by borrowing.

**11. \*\*X11 (Gross Profit + Extraordinary Items + Financial Expenses) / Total Assets:\*\***

- Measures the profitability of assets after extraordinary expenses.

This figure evaluates the profitability of a company's assets by taking into account certain special expenses. Gross Profit represents the company's sales less the cost of goods sold. Extraordinary Items" refer to unusual events that may have a financial impact, such as natural disasters. Financial Expenses" include costs related to the company's financing activities, such as interest on loans. The final figure is obtained by dividing the sum of these items by the total value of the company's assets.

**12. \*\*X12 Gross Profit / Short-term Liabilities:\*\***

- Assesses the ability to cover short-term liabilities with gross profits.

This figure assesses a company's ability to repay its short-term liabilities using its gross profits. Gross Profit is the amount of cash left over after subtracting the cost of goods sold from sales. Short-term Liabilities refer to debts that must be repaid within a relatively short period of time. The final figure is obtained by dividing the Gross Profit by the amount of Short-term Liabilities.

**13. \*\*X13 (Gross Profit + Depreciation) / Sales:\*\***

- Measures the profitability of sales after taking into account the cost of depreciation.

This figure measures the profitability of a company's sales after taking into account the cost of asset depreciation. Depreciation" is an accounting charge that represents the loss in value of assets over time. The final figure is obtained by adding the "Gross Profit" and the depreciation, then dividing the total by the amount of sales made.

**14. \*\*X14 (Gross Profit + Interest) / Total Assets:\*\***

- Evaluates the return on assets after taking interest into account.

This figure evaluates the return on a company's assets by taking into account the interest paid on debts. Gross profit represents sales less the cost of goods sold, and interest represents interest payments on borrowings. The final figure is obtained by adding "Gross Profit" and interest, then dividing the total by the total value of the company's assets.

**15. \*\*X15 (Total Liabilities \* 365) / (Gross Profit + Depreciation):\*\***

- Gives the number of days required to repay all liabilities using gross profit and depreciation.

This figure indicates the number of days required to repay all the company's debts using gross profit and depreciation. Total Liabilities represent the total amount of the company's liabilities. The final figure is obtained by multiplying this amount by 365 (the number of days in a year) and dividing by the sum of Gross Profit and Depreciation.

**16. \*\*X16 (Gross Profit + Depreciation) / Total Liabilities:\*\***

- Measures the ability to repay debts using gross profit and depreciation.

This figure measures a company's ability to repay its debts using its gross profits and the cost of depreciation. The final figure is obtained by adding gross profit and depreciation, then dividing the total by the company's total debts.

**17. \*\*X17 Total Assets / Total Liabilities:\*\***

- Gives the total debt ratio, assessing the proportion of assets financed by debt.

This figure gives a company's total debt ratio, which means that it measures the proportion of assets financed by debt. It is obtained by dividing the total value of the company's assets by the total amount of its debts. A high debt-to-equity ratio may indicate heavy reliance on debt.

**18. \*\*X18 Gross Profit / Total Assets:\*\***

- Evaluates the return on assets in relation to gross profit.

This figure measures the return on a company's assets in relation to gross profit. Gross profit is obtained by subtracting the cost of goods sold from sales. The final figure is obtained by dividing gross profit by the total value of the company's assets. It shows how much gross profit is generated for each dollar of assets held.

**19. \*\*X19 Gross Profit / Sales:\*\***

- Measures the profitability of sales after deducting the cost of goods sold.

This figure measures the profitability of a company's sales after deducting the cost of goods sold. It is obtained by dividing gross profit by the amount of sales made. It allows you to assess the profit margin on sales and to see how much profit the company generates for each dollar of sales.

**20. \*\*X20 (Inventory \* 365) / Sales:\*\***

This figure shows the number of days needed to clear a company's inventory. It is obtained by multiplying the value of the inventory by 365 (the number of days in a year) and dividing the result by the amount of sales made. It gives an idea of how quickly a company sells off its stock.

**21. \*\*X21 Sales (n) / Sales (n-1):\*\***

This figure shows the growth in sales from one period to the next. It is obtained by dividing the amount of sales for the current period (n) by the amount of sales for the previous period (n-1). It measures the percentage change in sales from one period to the next.

**22. \*\*X22 Profit on Operating Activities / Total Assets:\*\***

This figure measures the profitability of a company's operating activities in relation to its total assets. Profit on Operating Activities" represents the profit made from the company's core activities, generally before deducting interest and tax. The final figure is obtained by dividing this profit by the total value of the company's assets. It is used to assess the company's efficiency in generating profits from its assets.

**23. \*\*X23 Net Profit / Sales:\*\***

This figure measures a company's net profitability in relation to its sales. Net Profit is the profit made after deducting all expenses, including tax. The final figure is obtained by dividing net profit by sales. It shows how much profit the company generates for each dollar of sales.

**24. \*\*X24 Gross Profit (in 3 years) / Total Assets:\*\***

This figure measures the profitability of a company's assets over a three-year period, based on gross profit. Gross profit is obtained by subtracting the cost of goods sold from sales. The final figure is obtained by adding together the gross profits over a three-year period, then dividing the total by the total value of the company's assets. This allows profitability to be assessed over a longer period.

**25. \*\*X25 (Equity - Share Capital) / Total Assets:\*\***

This figure gives the proportion of adjusted equity capital in relation to a company's total assets. Equity represents the company's net worth, i.e. the difference between its assets and liabilities. Share capital refers to the shares issued by the company. The final figure is obtained by subtracting share capital from equity, then dividing the result by the total value of the company's assets.

**26. \*\*X26 (Net Profit + Depreciation) / Total Liabilities:\*\***

This figure assesses a company's ability to repay its debts using net profit and depreciation. The final figure is obtained by adding net profit and depreciation, then dividing the total by the company's total liabilities. This helps to understand the extent to which the company's profits can contribute to the repayment of its debts.

**27. \*\*X27 Profit on Operating Activities / Financial Expenses:\*\***

This figure shows the profit margin generated by operating activities compared with financial expenses. Profit on Operating Activities" represents the profit made from the company's core activities, while "Financial Expenses" refers to the costs associated with financing activities, such as interest on loans. The final figure is obtained by dividing the profit from operating activities by the financial expenses. This shows the extent to which operating profits cover the company's financial expenses.

**28. \*\*X28 Working Capital / Fixed Assets:\*\***

This figure measures the proportion of working capital in relation to a company's fixed assets. Working capital is the difference between current assets (such as inventories and trade receivables) and current liabilities (such as short-term debts). Fixed Assets" refer to fixed assets such as buildings and equipment. The final figure is obtained by dividing working capital by the value of fixed assets. This gives an understanding of the company's ability to finance its fixed assets with its working capital.

**29. \*\*X29 Logarithm of Total Assets:\*\***

This figure uses the logarithm of total assets as a measure. It is obtained by taking the logarithm of the total value of the company's assets. This logarithmic transformation is sometimes used to reduce the scale of values and facilitate comparative analysis.

**30. \*\*X30 (Total Liabilities - Cash) / Sales:\*\***

This figure measures a company's ability to cover its total liabilities (less cash) with sales. It is obtained by subtracting the amount of cash from the company's total liabilities, then dividing the result by the amount of sales made. This shows whether the company's sales are sufficient to cover its financial obligations, excluding cash.

**31. \*\*X31 (Gross Profit + Interest) / Sales:\*\***

This figure gives the ratio of gross profit and interest to sales. Gross profit is the profit made after subtracting the cost of goods sold from sales. The final figure is obtained by adding gross profit and interest, then dividing the total by the amount of sales made. This shows how much gross profit and interest is generated for each dollar of sales.

**32. \*\*X32 (Current Liabilities \* 365) / Cost of Products Sold:\*\***

This figure measures the number of days required to pay current liabilities using the cost of products sold. Current Liabilities are the company's short-term debts, such as invoices payable and short-term debts. The final figure is obtained by multiplying current liabilities by 365 (the number of days in a year), then dividing the result by the cost of goods sold. This gives an idea of how many days the company needs to pay its current liabilities using the income generated by the sale of its products.

**33. \*\*X33 Operating Expenses / Short-term Liabilities:\*\***

This figure measures a company's ability to cover its operating expenses with its short-term liabilities. Operating Expenses are the expenses incurred to maintain the business operations of the company, such as salaries, overheads and marketing costs. The final figure is obtained by dividing operating expenses by current liabilities. This helps to understand whether the company has sufficient current liabilities to cover its operating expenses.

**34. \*\*X34 Operating Expenses / Total Liabilities:\*\***

This figure shows the ratio of operating expenses to the company's total liabilities. The final figure is obtained by dividing operating expenses by the total value of the company's liabilities. This shows how much of the total debt is used to cover operating expenses.

**35. \*\*X35 Profit on Sales / Total Assets:\*\***

This figure measures the profitability of sales in relation to the company's total assets. Profit on Sales is the profit made after subtracting all expenses, including tax, from sales. The final figure is obtained by dividing the profit on sales by the total value of the company's assets. This makes it possible to understand how much profit is generated for each dollar of assets held by the company.

**36. \*\*X36 Total Sales / Total Assets:\*\***

This figure measures the efficiency with which assets are used to generate sales. The final figure is obtained by dividing the amount of sales made by the total value of the company's assets. This provides an understanding of how many sales are generated for each dollar of assets held by the business.

**37. \*\*X37 (Current Assets - Inventories) / Long-term Liabilities:\*\***

This figure indicates a company's ability to cover its long-term liabilities with its current assets adjusted for inventory. Current Assets" represent the company's short-term assets, such as cash, trade receivables and inventories. Inventory is subtracted from Current Assets because it is considered less liquid. The final figure is obtained by subtracting inventory from current assets, then dividing the result by the value of long-term liabilities. This helps to understand whether the company's current assets, adjusted for inventory, are high enough to cover long-term liabilities.

**38. \*\*X38 Constant Capital / Total Assets:\*\***

This figure gives the proportion of constant capital in relation to the company's total assets. Constant Capital" represents the company's equity and long-term liabilities. The final figure is obtained by dividing constant capital by the total value of the company's assets. This makes it possible to understand how much of the total assets are financed by constant capital.

**39. \*\*X39 Profit on Sales / Sales:\*\***

This figure measures the profitability of sales in relation to the company's total sales. Profit on Sales" represents the profit made after subtracting all expenses, including tax, from sales. The final figure is obtained by dividing profit on sales by total sales. This enables us to understand what proportion of sales is converted into profit.

**40. \*\*X40 (Current Assets - Inventory - Receivables) / Short-term Liabilities:\*\***

This figure assesses a company's ability to cover its short-term liabilities with its current assets adjusted for inventory and receivables. Receivables" represent amounts owed by customers to the company. The final figure is obtained by subtracting inventory and receivables from current assets, then dividing the result by the value of current liabilities. This shows whether the company's current assets, adjusted for inventory and receivables, are high enough to cover current liabilities.

**41. \*\*X41 Total Liabilities / ((Profit on Operating Activities + Depreciation) \* (12/365)):\*\***

This figure gives the number of days required to repay all the company's liabilities, using operating profit and depreciation. Profit on Operating Activities" represents the profit generated by the company's operating activities, before deduction of taxes and financial expenses. The final figure is obtained by adding operating profit and depreciation, then multiplying the result by (12/365) to obtain a daily measure. Total debt is then divided by this value to determine the number of days required to repay all debts.

**42. \*\*X42 Profit on Operating Activities / Sales:\*\***

This figure measures the profitability of the company's operating activities in relation to total sales. Profit on Operating Activities" represents the profit generated by the company's operating activities, before deduction of taxes and financial expenses. The final figure is obtained by dividing profit on operating activities by total sales. This enables us to understand what proportion of sales is converted into profit by the company's operating activities.

**43. \*\*X43 Rotation Receivables + Inventory Turnover in Days:\*\***

This figure indicates the number of days required to clear accounts receivable and inventory. Rotation Receivables" measures the frequency with which accounts receivable are collected, while "Inventory Turnover" measures the frequency with which inventory is sold and replaced. The final figure is obtained by adding the Accounts Receivable Turnover and the Inventory Turnover, then converting the result into a number of days. This helps to understand how long it takes for accounts receivable and inventory to be converted into cash.

**44. \*\*X44 (Receivables \* 365) / Sales:\*\***

This figure shows the number of days required to collect accounts receivable. Receivables" represent amounts owed by customers to the company, and "Sales" represent sales made by the company. The final figure is obtained by multiplying the accounts receivable by 365 (the number of days in a year), then dividing the result by the total amount of sales. This gives an idea of how many days on average it takes the company to collect payments from customers.

**45. \*\*X45 Net Profit / Inventory:\*\***

This figure evaluates net profitability in relation to inventory. Net Profit" represents the profit made after subtracting all expenses, including taxes, from the company's revenues. The final figure is obtained by dividing net profit by inventory value. This gives an idea of how much profit is generated for each unit of inventory value held by the company.

**46. \*\*X46 (Current Assets - Inventory) / Short-term Liabilities:\*\***

This figure measures a company's ability to cover its short-term liabilities with its current assets adjusted for inventory. Current assets represent the company's short-term assets, and inventory is subtracted from current assets as it is considered less liquid. The final figure is obtained by subtracting inventory from current assets, then dividing the result by the value of current liabilities. This helps to understand whether the company's current assets, adjusted for inventory, are high enough to cover current liabilities.

**47. \*\*X47 (Inventory \* 365) / Cost of Products Sold:\*\***

This figure gives the number of days required to clear inventory using the Cost of Products Sold. Inventory represents the goods held by the company for sale, and "Cost of Products Sold" represents the total cost of goods sold in a given period. The final figure is obtained by multiplying the inventory value by 365 (the number of days in a year), then dividing the result by the total cost of products sold. This gives an idea of how many days, on average, it takes a company to sell off its inventory using cost of goods sold.

**48. \*\*X48 EBITDA (Profit on Operating Activities - Depreciation) / Total Assets:\*\***

This figure measures the profitability of assets before tax, interest, depreciation and amortization. EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) represents the profit generated by the company's operating activities before deduction of taxes, interest, depreciation and amortization. The final figure is obtained by subtracting depreciation from the profit from operating activities, then dividing the result by the total value of the company's assets. This gives an idea of how much profit is generated for each unit of value of the company's total assets.

**49. \*\*X49 EBITDA (Profit on Operating Activities - Depreciation) / Sales:\*\***

This figure shows the ratio of EBITDA to sales. It measures the profitability of the company's operating activities by comparing EBITDA (earnings before interest, taxes, depreciation and amortization) to total sales. The final figure is obtained by subtracting depreciation from operating profit, then dividing the result by total sales. This makes it easy to understand what proportion of sales is converted into EBITDA.

**50. \*\*X50 Current Assets / Total Liabilities:\*\***

This figure shows the ratio of current assets to total liabilities. Current Assets" represent the company's short-term assets, such as cash, trade receivables and inventories. Total Liabilities" represent the company's total liabilities. The final figure is obtained by dividing the value of current assets by the total value of liabilities. This shows how much of the debt is covered by the company's current assets.

**51. \*\*X51 Short-term Liabilities / Total Assets:\*\***

This figure shows the ratio of short-term liabilities to total assets. Short-term liabilities" represent the company's short-term debts, such as trade payables and short-term loans. Total Assets" represent the total value of the company's assets. The final figure is obtained by dividing the value of short-term debts by the total value of assets. This shows how much of the total assets are financed by short-term debt.

**52. \*\*X52 (Short-term Liabilities \* 365) / Cost of Products Sold:\*\***

This figure gives the number of days required to repay short-term liabilities using the cost of products sold. Short-term Liabilities" represent the company's short-term debts, and "Cost of Products Sold" represents the total cost of goods sold in a given period. The final figure is obtained by multiplying the value of short-term liabilities by 365 (the number of days in a year), then dividing the result by the total cost of products sold. This gives an idea of how many days, on average, it would take to pay off short-term debts using the income generated by product sales.

**53. \*\*X53 Equity / Fixed Assets:\*\***

This figure shows the ratio of equity to fixed assets. Equity" represents the company's own capital, while "Fixed Assets" represent fixed assets such as equipment and real estate. The final figure is obtained by dividing the value of equity by the value of fixed assets. This gives an idea of how much of the fixed assets are financed by the company's equity.

**54. \*\*X54 Constant Capital / Fixed Assets:\*\***

This figure shows the proportion of constant capital to fixed assets. Constant Capital" represents the company's equity and long-term debt, and is considered a measure of the company's financial structure. Fixed Assets" represent the fixed assets held by the company. The final figure is obtained by dividing the value of constant capital by the value of fixed assets. This enables us to understand what proportion of fixed assets is financed by the company's constant capital.

**55. \*\*X55 Working Capital:\*\***

This figure measures the company's working capital, which is the difference between current assets (such as cash, trade receivables and inventories) and current liabilities (such as trade payables and short-term borrowings). Working capital is a measure of the company's ability to finance its day-to-day operations and meet its short-term obligations.

**56. \*\*X56 (Sales - Cost of Products Sold) / Sales:\*\***

This figure gives the net profit margin in relation to sales. It is calculated by subtracting the cost of products sold (which includes the cost of raw materials, direct labor and production costs) from total sales, then dividing the result by total sales. This enables us to understand what proportion of sales turns into net profit.

**57. \*\*X57 (Current Assets - Inventory - Short-term Liabilities) / (Sales - Gross Profit - Depreciation):\*\***

This figure measures the company's ability to cover its short-term liabilities with current assets adjusted for inventory and depreciated expenses, in relation to adjusted sales. It is calculated by subtracting inventory and current liabilities from current assets, then dividing the result by adjusted sales (i.e. sales minus gross profit and depreciation). This provides an understanding of the company's ability to repay its short-term debts using available resources after adjusting for inventory and depreciated expenses.

**58. \*\*X58 Total Costs / Total Sales:\*\***

This figure shows the ratio of total costs to total sales. It is calculated by dividing total costs (including cost of goods sold, overheads and operating expenses) by total sales. This gives an idea of the proportion of sales devoted to company costs.

**59. \*\*X59 Long-term Liabilities / Equity:\*\***

This figure shows the ratio of long-term liabilities to shareholders' equity. It is calculated by dividing long-term liabilities by shareholders' equity. This shows how much of the company's financial resources are financed by long-term debt in relation to shareholders' equity.

**60. \*\*X60 Sales / Inventory:\*\***

Calculated by dividing total sales by inventory value. This gives an idea of how often inventory is sold and renewed over a given period. This figure measures the frequency with which inventory is renewed.

**61. \*\*X61 Sales / Receivables:\*\***

This figure measures the frequency with which accounts receivable are collected. It is calculated by dividing total sales by accounts receivable (the amount of money owed by customers). This gives an idea of how quickly the company collects payments from its customers.

**62. \*\*X62 (Short-term Liabilities \* 365) / Sales:\*\***

This figure gives the number of days needed to repay short-term liabilities using sales. It is calculated by multiplying short-term liabilities by 365 (the number of days in a year), then dividing the result by total sales. This gives an idea of how many days, on average, it would take to pay off short-term debts using income generated by sales.

**63. \*\*X63 Sales / Short-term Liabilities:\*\***

This figure shows the ratio of sales to short-term liabilities. It is calculated by dividing the total amount of sales by the amount of short-term liabilities. This shows how much of the short-term debt is covered by the company's sales.

**64. \*\*X64 Sales / Fixed Assets:\*\***

This figure measures the efficiency with which fixed assets are used to generate sales. It is calculated by dividing total sales by the value of fixed assets. This gives an idea of how many sales are generated for each unit of value of the company's fixed assets.

**Glossary :**

**- Working capital:** the difference between current assets (such as cash, trade receivables and inventories) and current liabilities (such as trade payables and short-term borrowings). Working capital measures a company's ability to finance its current operations and meet its short-term obligations.

**- Current Assets:** These are resources or assets held by a company that are likely to be converted into cash within one year or a normal operating cycle. This may include items such as cash, trade receivables, inventories and short-term investments.

**- Short-term liabilities:** These are a company's debts or financial obligations that must be repaid within one year or a normal operating cycle. This may include items such as trade payables, short-term borrowings and accrued expenses.

**- Sales:** These are the revenues generated by a company through the sale of its products or services. Sales are a key indicator of a company's commercial performance.

**- Net Profit Margin:** This is the percentage of net profit generated by a company in relation to its sales. It is calculated by dividing net profit by total sales and multiplying the result by 100, thus measuring a company's profitability.

**- Cost of Products Sold:** This is the cost directly associated with the production or purchase of products sold by a company. It includes the cost of raw materials, direct labor and production costs.

**- Gross profit:** This is the difference between sales and cost of goods sold. Gross profit represents the amount remaining after subtracting cost of goods sold from sales revenues, before deducting overheads and other expenses.

**- Depreciation:** This is an accounting method that spreads the cost of a fixed asset (such as equipment or a vehicle) over its useful life. Depreciation is a non-monetary expense that reduces the asset's book value over time.

**- Total Costs:** The sum of all costs associated with operating a business, including cost of goods sold, overheads, operating expenses and other expenses.

**- Long-term liabilities:** These are a company's debts or financial obligations that must be repaid over a period of more than one year. This may include items such as long-term loans, bonds and mortgages.

**- Equity:** This is the residual value of a company's assets after subtracting its liabilities. Equity represents the shareholders' share of ownership in the company and can include share capital, retained earnings and other reserves.

**- Inventory:** The value of goods (raw materials, work-in-progress and finished goods) held by a company for subsequent sale. Inventory is a current asset and represents the company's investment in products available for sale.

**- Inventory Turnover:** This is a ratio that measures the number of times inventory is sold and renewed over a given period. It is calculated by dividing total sales by average inventory value. This measures the efficiency of inventory management and the speed with which inventory is turned into sales.

**- Accounts receivable:** These are amounts of money owed to a company by its customers for goods or services supplied on credit. Accounts receivable represent a short-term receivable for the company until they are paid by the customers.

**- Fixed assets:** These are long-term assets held by a company for use in its business operations. Fixed assets include items such as buildings, equipment, vehicles and land.

**- Fixed Asset Turnover**: This is a ratio that measures the amount of sales generated for each unit of value of a company's fixed assets. It is calculated by dividing the total amount of sales by the value of fixed assets. This provides an understanding of the efficiency with which fixed assets are used to generate revenues.