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Execution Summary: Financial management is one of the great mater of a business organization. Most of the time a business organization or company affected by financial management. So its very clear that financing is very important part and on organization to operating business in anywhere it's can be heal, national or internationally.

When a financial manager or controller prepare financial treatment them they should do the work every sincerely. Because if one ration or amount is change then it's efficient on all future plan. So when we prepare this assignment we try to complete it very carefully.

We worked in this report on three Bangladeshis well known Cosmetics Company, theses are- Keya Cosmetics, Kohinur Comical and SQUARE Toilettes Ltd. We hope that it's completed very efficiency and stilly.

Introduction: It is the true speech that, financing is the base of an (business) organization. All of the future works of an organization depend on financing. So we can say that financial management is on unavoidable part of all types of organization or company.

We discuss in this repot on three (national Domestic) company of Bangladesh cosmetics Industry. It's really true that our Domestic Company are decline day by day many foreign and multinational company's are capture our national market. But in this crisis moment this three company- Keya, Kahinur and Square are stand on their position. It is so top but this company proved that they can do something. As a result we are willingly want to work about these company's financial statement and we hope we find out the real information of these companies

Liquidity Ratio

kahinur chemicals

current assets
liquidity ratio=current liabilities
=954341267
10017300042
=0.953

Keya cosmetics

current assets
liquidity ratio=current liabilities
=1.21

Square toilettes

current assets
liquidity ratio=current liabilities
=83664154/7065682
=1.18

Financial leverage ratio comparisons:

Current ratio
Year-2010

Company	Rate	Industry
Kahinur	0.95	
keya	1.21	1.114
square	1.18	

Ratio of keya is strong than the industry average.

kahinur chemicals

Acid test (quick) =current assets-inventories
Current liabilities
= (954341267-68748217)/1001730042
=0.884

keya cosmetics

Acid test (quick) =current assets-inventories
Current liabilities
= (461848165-190009607)/382126034
=0.71

Square toilettes

Acid test (quick)=<u>current assets-inventories</u>
current liabilities
=(83664154-17103892)/70656827=0.94

Acid test ratio
Year-2010

Company	rate	Industry
Kahinur	0.88	
Keya	0.71	0.84
Square	0.94	

Ratio of Keya is weaker than the industry average.

Summery of the liquidity ratio comparisons:

Company	rate	Industry
Kahinur	0.95	0.88
Keya	1.21	0.71
Square	1.18	0.94

Total industry current ratio =1.114
Total industry acid-test ratio=0.84

So there is a strong current ratio & weak acid-test ratio indicates a potential in the inventories account.

Financial Leverage Ratios

kahinur chemicals
Debt to equity= <u>total debt</u>
Shareholder's equity
=(338367175+1190733)/57143605
=5.94

Keya cosmetics
Debt to equity=<u>total debt</u>
Shareholder's equity
=168264386/286000000
=0.58

Squaer toilettes
Debt to equity=<u>total debt</u>
Shareholder's equity
=179247840/141000100
=1.27

Debt to equity ratio

Year-2010

Company	Rate	Industry
Kahinur	5.94	
keya	0.58	2.597
square	1.27	

kahinur chemicals

Debt to total assets=<u>total debt</u>
total asset
=339557908/1304615774
=0.26

Keya cosmetics

Debt to total assets=<u>total debt</u>
total asset
=168264386/615337516
=2.58

Square toilettes

Debt to total assets=<u>total debt</u>
total asset
=179247840/262911994
=0.68

Debt to total asset ratio
Year -2010

Company	Rate	Industry
Kahinur	0.26	
Keya	2.58	1.17
Square	0.68	

Coverage Ratio

kahinur chemicals

Interest coverage=<u>EBIT</u>
Interest charges
=50072557/52576185
=0.95

Keya cosmetics

Interest coverage= <u>EBIT</u>
Interest charges
=91676281/62898721
=1.46

Square toilettes

Interest coverage= $\frac{\text{EBIT}}{\text{Interest charges}}$

=27797054/14716152

=1.89

Coverage ratio comparisons:

Interest coverage ratio
Year-2010

Company	rate	Industry
kahinur	0.95	
Keya	1.46	1.43
Square	1.89	

Activity Ratio

Kahinur chemicals

Receivable Turnover= $\frac{\text{annual net credits sales}}{\text{receivables}}$

=1491770828/163681734

=9.11

Keya Cosmetics

Receivable Turnover= $\frac{\text{annual net credits sales}}{\text{receivables}}$

=176498224/35071891

=5.03

Square toilettes

Receivable Turnover= $\frac{\text{annual net credits sales}}{\text{receivables}}$

=84587474/52738502

=1.60

Kahinur Chemicals

Avg collection period= $\frac{\text{Days in the year}}{\text{Receivable turn over}}$

=365/9.11

=40 days

Keya Cosmetics

Avg collection period= $\frac{\text{Days in the year}}{\text{Receivable turn over}}$

=365/5.03
=73 days

Square Toilettes

Avg collection period= $\frac{\text{Days in the year}}{\text{Receivable turn over}}$

=365/1.60
=228.13 days

Average collection period
Year-2010

Company	Rate	Industry
Kahinur	40	
Keya	73	113.71
Square	228.13	

Khinur Chemicals

Payable Turnover (PT) = $\frac{\text{Annual Credit Purchases}}{\text{Account Payable}}$

=133082424/7393468
=18

Keya Cosmetics

Payable Turnover (PT) = $\frac{\text{Annual Credit Purchases}}{\text{Account Payable}}$

=191313792/11957112
=16

SQUARE Toilettes

Payable Turnover (PT) = $\frac{\text{Annual Credit Purchases}}{\text{Account Payable}}$

=47338522/3381323

=14

Activity Ratios

Kahinur Chemicals

PT in Days= $\frac{\text{Days in the year}}{\text{Payable turn over}}$

=365/18
=20.28

Keya Cosmetics

PT in Days= $\frac{\text{Days in the year}}{\text{Payable turn over}}$

=365/16
=22.81

Square Toilettes

PT in Days= $\frac{\text{Days in the year}}{\text{Payable turn over}}$

=365/14
=26.07

Payable turnover in days
Year-2010

Company	Rate	Industry
Kahinur	20.28	
Keya	22.81	23.05
Square	26.07	

Kahinur has improved the PT in days.

Kahinur Chemicals

Inventory Turnover = $\frac{\text{Cost of goods Sold}}{\text{Inventory}}$

= 1237180162/680748217

=1.81

Keya Cosmetics

$$\text{Inventory Turnover} = \frac{\text{Cost of goods Sold}}{\text{Inventory}}$$

=1014171062/190009607

=5.33

SQUARE Toilettes

$$\text{Inventory Turnover} = \frac{\text{Cost of goods Sold}}{\text{Inventory}}$$

=34597552/17103892

=2.02

Inventory turnover ratio
Year-2010

Company	Rate	Industry
Kahinur	1.82	
Keya	5.33	3.06
Square	2.02	

kahinur has a very poor inventory turnover ratio.

Kahinur Chemicals

$$\text{Total Assets Turnover} = \frac{\text{Net sales}}{\text{Total Assets}}$$

=1491770828/1308615774

=1.14

Keya Cosmetics

$$\text{Total Assets Turnover} = \frac{\text{Net sales}}{\text{Total Assets}}$$

=176498224/615337516

=0.29

Square Toilettes

$$\text{Total Assets Turnover} = \frac{\text{Net sales}}{\text{Total Assets}}$$

=84587474/262911994

=0.32

Total asset turnover
Year-2010

Company	Rate	Industry
Kahinur	1.14	
Keya	0.29	0.58
Square	0.32	

Kahinur Chemicals

$$\text{Gross profit Margin} = \frac{\text{Gross profit}}{\text{Net Sales}}$$

=254590666/1491770828

=0.171

Keya Cosmetics

$$\text{Gross profit Margin} = \frac{\text{Gross profit}}{\text{Net Sales}}$$

=189621761/176498224

=1.074

Square toilettes

$$\text{Gross profit Margin} = \frac{\text{Gross profit}}{\text{Net Sales}}$$

=49989922/84587474

=0.59

Gross profit margin
Year-2010

Company	Rate	Industry
Kahinur	0.17	
Keya	1.07	0.61
Square	0.59	

Profitability Ratios

Kahinur Chemicals

$$\text{Net Profit margin} = \frac{\text{Net Profit after taxes}}{\text{Net Sales}}$$

=37059952/1491770828

=0.025

Keya Cosmetics

$$\text{Net Profit margin} = \frac{\text{Net Profit after taxes}}{\text{Net Sales}}$$

=86612541/176498224

=0.49

SQUARE Toilettes

$$\text{Net Profit margin} = \frac{\text{Net Profit after taxes}}{\text{Net Sales}}$$

=20152864/84587474

=0.24

Profitability Ratio Comparisons:

Net profit margin
Year-2010

Company	Rate	Industry
Kahinur	0.03	
Keya	0.49	0.25
Square	0.24	

Kahinur Chemicals

$$\text{Return on Investment} = \frac{\text{Net Profit after taxes}}{\text{Total Assets}}$$

=37059952/1304615774

=0.028

Keya Cosmetics

$$\text{Return on Investment} = \frac{\text{Net Profit after taxes}}{\text{Total Assets}}$$

=86612541/615337516

=0.14

SQUARE Toilettes

$$\text{Return on Investment} = \frac{\text{Net Profit after taxes}}{\text{Total Assets}}$$

=20152864/262911994

=0.076

Return on Investment
Year-2010

Company	Rate	Industry
Kahinur	0.03	
Keya	0.14	0.08
Square	0.08	

Kahinur Chemicals

$$\text{Return on Equity} = \frac{\text{Net Profit after taxes}}{\text{Shareholders Equity}}$$

=37059952/57143605
=0.64

Keya Cosmetics

$$\text{Return on Equity} = \frac{\text{Net Profit after taxes}}{\text{Shareholders Equity}}$$

=86612541/288000000
=0.30

SQUARE Toilettes

$$\text{Return on Equity} = \frac{\text{Net Profit after taxes}}{\text{Shareholders Equity}}$$

=20152864/141000100
=0.14

Return on Equity
Year-2010

Company	Rate	Industry
Kahinur	0.64	
Keya	0.30	0.36
Square	0.14	

Square has a poor return equity.

Conclusion: After analyzing the financial statement of three companies we can say that Theses Company cheeped their companies' image and they operate right place. But we know that the decision making basically depend on financing, because if an organization get financial support then they easily take right decision at right place. But it's really true that the as types of companies face many barriers from many stabilized and famous foreign and multinational companies.

So, in the contusion we say clearly that if company want to business in any Lind of market then they should have a strong financial support and appropriate financial management skill authority.

Appendix

Keya cosmetics Lid.

Jarun, Konabari, Gazipur

Balance Sheet

At 30th June,2010

Particulars	**Amount**
Fixed Assets	168,264,386
Investment	367,351,000
Current Assets:	**461,848,165**
Stock of goods, Arterials &Stores	190,009,607
Material in Transit	60,082,316
Loans, Advance & deposits	163,039,224
Short Term Loan to sister concern	
Trade Debtors	33,571,891
Other Receivables	1,500,000
Cash &Bank Balance	13,645,127
Current Liabilities	**382,126,034**
Bank Loans &Overdraft	287,739,783
Sundray Creditor	4,958,175
Outstanding Liabilities	11,957,112
Provision for Income Tax	71,653,097
Unclaimed Dividend	1,234,054
Workers Profit Participation &Welfare Fund	4,583,814
Net Current Assets	**79,722,131**
Total Assets	**615,337,516**
Financed by:	**550,510,821**
Shareholders Equity	288,000,000
Share Capital	24,000,000
Share Premium	195,310,821
General Reserve &Surplus	43,200,000
Proposed Dividend	
Long Term Liabilities	**64,826,695**
Liability to Leasing Company &Bank	64,826,695
Total Equity & Term Liabilities	**615,337,516**

Keya cosmetics Lid.

Jarun, Konabari, Gazipur

Income Statement

At 30th June,2010

Particulars	Amount
Net Turnover:	**1,203,792,823**
Gross Turnover	1,380,291,047
VAT & Supplementary Duty	176,498,224
Less: Cost of Goods sold	**1,014,171,062**
Gross Profit	**189,621,761**
Less: Operating Expenses	**173,282,166**
Selling, Distribution &Adm. Expenses	110,383,445
Financial Expenses	62898,721
Operating Income	**16,339,595**
Non Operating income	79,920,500
Net Income before WPP& WF	**96,260,095**
Allocation for income tax	4,583,814
Net Income before Tax	**91,676,281**
Provision for Income tax	5,063,740
Net Income for the year	**86,612,541**
(Transfer to the Statement of changes in Equity**)**	
Earnings Per Share	**3.01**

SQUARE Toilettes Ltd.

Balance Sheet

At 30th June,2010

Particulars	Amount
SOURCES OF FUND:	
Shareholders Fund:	**173,080,383**
Share capital	141,000,100
Reserve & Surplus	32,080,283
Loan Fund:	**22,371,588**
Long Term loan-secured	33,471,588
Less: Current Maturity	11,100,000
Lease Payable	--
Less: Current Maturity	--
Total Loan Fund	**22,371,588**
Total	**195,451,971**
APPLICATION OF FUND:	
Non-current Assets:	
Property, Plant & Equipment	**179,247,840**
Capital Work In-progress	
Current Assets:	**83,664,154**
Advance, Deposits &Pre-payments	5,190,648
Investment in shares	1,750
Term &Fixed Deposit Receipts(TDR, FDR)	3,198,469
Stock of Container	15,000
Inventories	17,103,892
Spare Parts	4,939,881
Accounts Receivable	52,738,502
Cash and cash Equivalents	476,012
Current Liabilities:	**70,656,827**
Short term loan	43,641,857
Accounts Payable	3,381,323
Advance Deposits	--
Current Maturity- Loan &lease	11,100,000
Provision for Income tax	11,202,201
Provision for Expenses	1,331,446
Net Current Assets:	**13,007,327**
Preliminary Expenses	10,761
Deferred Expenses	325,442
IPO & Subscription Charges	2,860,601
Net Assets	**195,451,971**
Discloser:	12.05
NAV per Share	N/A
Contingent Liablity:	

SQUARE Toilettes Ltd.
Income Statement
At 30th June,2010

Particulars	Amount
Operating Income:	
Sales- Net of VAT	84,587,474
Less: Cost of goods sold	34,597,552
Gross Profit (a)	**49,989,922**
Operating Expenses:	7,625,327
Administrative Expenses	555,131
Selling & Distribution Expenses	
Total Operating Expenses	**8,180,458**
Total Operating Profit (c)=(a-b)	**41,809,464**
Non-Operating Income (d)	**741,098**
Non-Operating Expenses:	
Financial Charges	14,716,152
Written of Expenses	37,356
Total Non-operating Expenses(e)	**14,753,508**
Net Profit/(Loss) Before Tax (f)=(c+ d - e)	**27,797,054**
Less: Provision for Income Tax	**7,644,190**
Net Profit/(Loss) After Tax	**20,152,864**
Profit/(Loss) brought forward	7,931,162
Less: Stock Dividend	
Retained Earnings to be carried forward	**28,084,026**
Basic Earning Per Share (EPS)	**1.43**