



DueDil Data Dictionary

Financials Page

Profit & Loss

Reporting Period (Months) - Number of months' activity reflected in the current set of accounts. Most common period is 12 months.

Consolidated Accounts (Y/N) - Indicates whether current accounts are consolidated accounts or not.
Consolidated accounts are financial statements in which the financials of the parent company and its subsidiaries are presented as those of a single economic entity. aggregated look at the financial position of a parent and its subsidiaries.

Number of Employees (#) - Number of Employees

Turnover (£) - The income that a business has from its normal business activities, usually from the sale of goods and services to customers. AKA revenue, sales or top line.

Cost of Sales - (£) - The total cost to the business of all goods sold during the accounting period. AKA cost of goods sold (COGS). Includes: Cost of products or raw materials, including transportation
Cost of storing products
Direct labor costs
Factory overhead expenses
Depreciation

Gross Profit (£) - **Gross profit = Turnover - cost of goods sold**
i.e. everything you sold, minus what it cost you to make it in terms of 'raw ingredients'.

SG&A plus other net costs (£) - Operating expenses (OPEX) are also known as SG&A (Selling, General and Administration).

An operating expense is a day-to-day expense such as sales and administration, or research & development and includes things such as:
Salary and wages
Accounting expenses
License fees
Maintenance and repairs
Advertising
Office expenses
Supplies
Attorney fees and legal fees
Utilities, such as telephone
Insurance
Property management, including a resident manager
Property taxes
Travel and vehicle expenses

Operating Profit (£) - **Operating profit = Operating revenue - operating expenses - cost of goods sold - depreciation - amortisation**

What the company earns from operations alone. This doesn't include expenses associated with due interest payments and taxation. Is equal to EBIT if the company has no non-operating revenue.



Interest Receivable (£) - Interest payments due to the business.

Interest Payable (£) - Interest payments due to be paid out by the business.

Pre-tax Profit (e.g Profit Before Tax, Earning Before Tax) (£) - **Pre-tax profit = sum of profits - tax**

i.e. what's left from turnover after deducting everything but tax due. (tax is subtracted in the equation because tax due is a negative number)

Taxation (charges are negative) (£) - Sum owed in taxes. A negative number indicates a tax charge to the business.

Post-tax profit (£) - **Post-tax profit = Pre-tax profit - taxation**

i.e. profit left after interest, one-off costs and taxes have been deducted. AKA PAT (profit after tax), NIAT (net income after tax)

Dividends Payable (£) - Sum paid out of post-tax profits as dividends to shareholders.

Retained Profits (£) - **Retained profits = Post-tax profit - dividends payable**

i.e. what's left for the business from post-tax profits after paying out shareholders dividends.

Balance Sheet

Intangible Assets (£) - Assets that do not have physical presence. Unlike some, we use 'intangible assets' to refer exclusively to fixed intangible assets. E.g. intellectual property, brand value, specialised knowledge, etc. See also 'Amortisation' under 'Other financials'.

Tangible Assets (£) - Assets that have physical presence. Unlike some, we use 'tangible assets' to refer exclusively to fixed tangible assets. See also 'Depreciation' under 'Other Financials'.

Investments & Other (£) - Leftover fixed assets that are not in tangible or intangible assets.

Fixed Assets (£) - **Fixed assets = Intangible assets + Tangible assets + Investments & other**

Stock (£) - Value of raw materials and produced goods, and goods in the stages between those two. Also known as inventory or merchandise.

Trade Debtors (£) - Amount owed to the company by customers for goods or services they have received but not yet paid for. Along with 'other debtors' this makes up accounts receivable.



Other Debtors (£) - See preceding entry. Amount owed to the company from other sources.

Miscellaneous Current Assets (£) - Unspecified current assets.

Cash (£) - Cash in hand and at the bank.

Current Assets (£) - Assets that are sufficiently liquid to be converted to cash within a year.

Current assets = Stock + Trade debtors + Cash + 'other assets due within one year of the accounts date'

Total Assets (£) - **Total assets = Fixed assets + Current assets**

Bank Loans & Overdrafts (£) - Overdrawn balances on current accounts and loans. For long term loans, only the amount repayable within 12 months is shown here, the remainder in long term liabilities

Trade Creditors (£) - Amounts owed to suppliers.

Miscellaneous Current Liabilities (£) - Unspecified liabilities due within one year of the accounts date.

Other Short Term Finances (£) - Amount owed to sources not elsewhere specified.

Current Liabilities (£) - Amounts owed to trade creditors and other liabilities due within one year of the accounts date.

Contingent Liability (£) - A potential liability which becomes actual if and only if some condition is satisfied in the future.

Only in the balance sheet if probable and if the amount of the liability can be estimated.

Other Long Term Finances (£) - Value of leases, future employee benefits, deferred taxes, and other obligations not requiring interest payments that must be paid over a period of more than one year.

Total Long Term Liabilities (£) - Amounts owed to trade creditors and other liabilities due after one year of the accounts date.

Total Liabilities (£) - Current and long term liabilities.

Net Assets (£) - Total assets minus total liabilities.

Equity Paid Up (£) - Amount of capital funded by shareholders.

Also known as paid-up capital.



Revaluation Reserve (£) - Used to record a change in the value of an asset.

Sundry Reserves (£) - Capital reserves, share premium account, and other company reserves.

Profit & Loss Account Reserve (£) - The profit and loss account reserve represents cumulative retained profits which are legally available to pay dividends to shareholders.

Shareholder Funds (£) - Equity paid up and reserves, equals net assets.

Other Financials

Depreciation (£) - The fall in value of tangible assets over their useful life.

Amortisation of Intangibles (£) - The fall in value of intangible assets over their useful life

EBITDA (£) - **EBITDA = Operating profit + depreciation + amortisation of intangibles**
Literally: earnings before interest, taxes, depreciation and amortisation.

Working Capital (£) - **Working capital = Current assets - current liabilities**
Also called 'net working capital'.

In order to set aside differences in overall company size, often working capital ratio is used.
Working capital ratio = current assets/current liabilities.

Capital Employed (£) - The capital investment necessary for a business to function. Defined as **(shareholders' equity + debt liabilities)** or **(total assets - current liabilities)**

Wages & Salaries (£) - Expenses constituted by paying wages and salaries.

Directors Emoluments (£) - Expenses made up of any transfer of value to directors

Audit Fees (£) - Cost of auditing.

Bank Loans and Overdrafts (£) - Total amount of Bank loans (short term) and overdrafts

Net Cash Flow from Operations (£) - Calculated by either; **=cash payments+receipts**,
or, **EBIT + depreciation - taxes + change in working capital**

(Word order arbitrary, 'net' often implied. Abbreviated as CFO or OCF)

Net Cash Flow before Financing (£) - Cash flow, without taking into account movement of cash between a company and its owners and creditors.



Net Cash Flow from Financing (£) - "Cash received from issuing stock or debt minus cash paid as dividends and re-acquisition of debt/stock." There are different accounting standards, see second source.

Increase in Cash (£) - Increase in cash

Debtor Days (Days) - Average number of days required for a company to receive payment from its customers for invoices issued to them.

Exports (£) - Turnover from overseas trading (often reported in the notes to the financial accounts)

Interest Payable (£) - Interest payable is the interest expense that has been incurred but has not been paid as of the date of the balance sheet. (Interest payable does not include the interest for periods after the date of the balance sheet.)

KPIs & Ratios

Gross Margin (%) - **Gross margin = Gross profit ÷ Turnover × 100%**

i.e. what fraction of turnover ends up as gross profit.

Operating Profit Margin (%) - **Operating profit margin = Operating profit ÷ Turnover × 100%**

i.e. what fraction of turnover ends up as operating profit.

EBITDA Margin (%) - **EBITDA margin = EBITDA ÷ Turnover × 100%**

i.e. what fraction of turnover ends up as EBITDA. **EBITDA = Operating profit + depreciation + amortisation of intangibles**

Pre-tax Profit Margin (%) - **Pre-tax profit margin = Pre-tax profit ÷ Turnover × 100%**

i.e. what fraction of turnover ends up as pre-tax profit.

Net Margin (%) - **Net (profit) margin = Pos-tax profit ÷ Turnover × 100%**

i.e. what fraction of turnover ends up as (post-tax) profit.

Return on Assets (%) - **Return on assets = Operating profit ÷ Average total assets × 100%**

Also called ROA.

Return on Capital Employed (%) - **ROCE = Operating profit ÷ Capital employed**

i.e. How much profit is being made on the money invested in the business?



Return on Equity (%) - **Return on equity = Post-tax profit ÷ Average shareholder funds × 100%** Also called ROE.

Recall that post-tax profit is net income.

Current Ratio - **Current ratio = Current assets ÷ Current liabilities**

Identical to working capital ratio above.

Includes all assets and liabilities.

Cash to Current Liabilities Ratio - **Cash to current liabilities ratio = Cash and cash equivalents ÷ Current liabilities**

Also known as the cash ratio.

Cash to Total Assets (%) - **Cash to total assets = Cash ÷ total assets × 100%**

Also called 'common analysis'.

Sometimes expressed as a ratio rather than percentage.

Liquidity Ratio (%) - **Liquidity ratio = (Current assets - Stock) ÷ Current liabilities**

Note that 'liquidity ratio' is sometimes used as a general term referring to the group of ratios describing how much money is available (with different levels of ease) in relation to other metrics.

What we call 'liquidity ratio' is sometimes known as the quick ratio or the acid-test ratio. Whatever it may be called, the items in the numerator can vary slightly due to variations in what is counted as liquid assets.

Gearing (%) - We surface gearing in three ways:

Liability basis: Total liabilities ÷ Shareholder funds × 100%

Gross debt basis: Gross debt ÷ Shareholder funds × 100%

(Where Gross debt = Bank loans and overdrafts + Other short term finances + Total long term liabilities)

Net debt basis: Net debt ÷ Shareholder funds × 100%

(Where Net debt = Gross debt - Cash)

Debt to Capital (%) - The debt-to-capital ratio is a measurement of a company's financial leverage. The debt-to-capital ratio is calculated by taking the company's interest-bearing debt, both short- and long-term liabilities and dividing it by the total capital.

Total capital is all interest-bearing debt plus shareholders' equity, which may include items such as common stock, preferred stock, and minority interest.

Inventory Turnover Ratio - The number of times Stock is sold and replaced during the accounting period (**Turnover ÷ Stock**)

Days Inventory Outstanding (Days) - Also known as Days Sales of Inventory (DSI), Days Inventory Outstanding (DIO) indicates the average time in days that a company takes to turn its inventory, including goods that are a work in progress, into sales.



Days Sales Outstanding (Days) - The average number of days that it takes a company to collect payment after a sale has been made.

Days Sales Outstanding (DSO) = $(\text{Average Trade Debtors} \div \text{Turnover}) \times 365$

Days Payable Outstanding (Days) - The average number of days that a company takes to pay its bills and invoices to its trade creditors, which include suppliers, vendors or other companies.

Days Payable Outstanding (DPO) = $\text{Average Trade Debtors} \div (\text{COGS} \times 365)$

Cash Conversion Cycle (Days) - $\text{CCC} = \text{DIO} + \text{DSO} - \text{DPO}$ | This expresses the time (measured in days) it takes for a company to convert its investments in inventory and other resources into cash flows from sales.

Revenue per Employee (£) - Turnover per employee (annualised)

Human Capital Value Added (£) - $\text{Operating profit} + (\text{Wages} \div \text{Employee Number})$.

The financial value (profit) an average employee brings to an organization

Interest Coverage Ratio (£) - $\text{Operating Profit} \div \text{Interest Payable}$.

How easily a company can pay interest on its outstanding debt

Net Debt to EBITDA Ratio - $\text{Net Debt} \div \text{annualised EBITDA}$.

$\text{Net Debt} = \text{Bank Loans \& Overdrafts} + \text{Other Short Term Finances} + \text{Total Long Term Liabilities} - \text{Cash}$.

How many years it would take for a company to pay back its debt if net debt and EBITDA are held constant

CFO to Sales Ratio - $\text{Net Cash Flow from Operations} \div \text{Turnover}$.

The ability of a business to generate cash flow in proportion to its sales volume.

Audit (Date) - Date of Audit

Name of Auditor - Name of the Auditor