Please calculate the GPM and NPM for the following businesses:

If you need to, please round your answers to 2 decimal places.

Mr Chips Chip Shop:

|  |  |
| --- | --- |
|  | £ |
| Sales revenue | 75 000 |
| Cost of Sales | 15 000 |
| Gross Profit | 60 000 |
| Expenses | 30 000 |
| Net Profit | 30 000 |

Dodgy Bob’s Second Hand Cars:

|  |  |
| --- | --- |
|  | £ |
| Sales revenue | 850 000 |
| Cost of Sales | 650 000 |
| Gross Profit | 200 000 |
| Expenses | 50 000 |
| Net Profit | 150 000 |

Now, calculate the GPM and the NPM for BOTH YEARS. Analyse what this means for the business and whether you think they are doing well or badly.

Steve’s Vinyl Record Stall:

|  |  |  |
| --- | --- | --- |
|  | 2019 £ | 2018 £ |
| Sales revenue | 95 000 | 93 000 |
| Cost of Sales | 65 000 | 68 000 |
| Gross Profit | 30 000 | 25 000 |
| Expenses | 5 000 | 4 000 |
| Net Profit | 25 000 | 21 000 |

Krusty’s Pie Shop:

|  |  |  |
| --- | --- | --- |
|  | 2019 £ | 2018 £ |
| Sales revenue | 120 000 | 125 000 |
| Cost of Sales | 43 000 | 44 000 |
| Gross Profit | 77 000 | 81 000 |
| Expenses: |  |  |
| Staff costs | 21 000 | 20 000 |
| Rent | 5 000 | 5 000 |
| Net Profit | 51 000 | 56 000 |