NAME: SANUSI HAYISAT OMOLARA:

MATRIC NO: 17/SMS02/059

 ACCOUNTING RATIOS.

1. BASIC MATERIALS: BERGER PAINTS.

 THOMAS WYALT.

1. CONSUMER GOODS: NESTLE.

 GUINESS.

1. CONSUMER SERVICES; TRANSCORP HOTELS.

 CAPITAL HOTELS.

1. FINANCIALS: UBA

 ACCES BANK

1. HEALTH CARE: MAY AND BAKER.

 GLAXOSMITH.

1. INDUSTRIALS: JULIUS BERGER.

 BETA GLASS PLC.

1. OIL AND GAS: TOTAL

 CONOIL

1. TECHNOLOGY: CHAMS

 ETRANZACT.

1. **BASIC MATERIALS**

BERGER PAINTS

1. Current ratio

= current assets = 1,646,124 = 1.28: 1

 Current liabilities 1,285,038

Interpretation: the answer derived indicates a rapid deteriorating ability to pay suppliers.

1. Quick asset ratio

= current asset- inventory = 1,646,124 – 606712 = 0.80:1

 Current liabilities 1,285, 038

Interpretation: this implies that the firm may have difficulty meeting current obligations.

1. Receivables collection period

= average trade receivables x365days

 Credit sales

183,186 x 365days = 19.8days

 3,377,223

Interpretation; this indicates that the company will be able to pay of its obligations, since collecting receivables will be relatively short.

1. Payables payment period

= average trade payables x 365days

 Credit purchases

589,943 x 365days = 111.6days

 1,928,583

Interpretation: the longer it takes to pay his creditors. The more cash is retained din the business, in this case the period is longer.

1. Inventory turnover period

= average inventory x 365days

 Cost of sales

 590,852 x 365days = 113.7days

 1,896,862

Interpretation: this implies that at least the firm restocks every 114days.

1. Receivables turnover

= Credit sales

 Average receivables

 = 3,377,223 = 18.4times

 183,186

Interpretation: this indicates that the no of times trade receivables are turnover during the reporting period.it favors the firm because it is high.

1. Payables turnover

 = credit purchases

 Average trade payables

 = 1, 928,583 = 3.3times

 589,943

 Interpretation: the payable turnover period is low so it is good.

1. Inventory turnover

= cost of sales

 Average inventory

 = 1,896,862= 3.2

 590,852

1. Return on capital employed

Profit

 Capital employed

 = 454,328 = 0.13

 3,250,261

 Interpretation: this ratio shows that the company is more efficient than profitable.

1. Gross profit percentage

Gross profit x 100

 Sales

1,480,361 x 100

 3,377,223 = 43.8%

 Interpretation: the gross profit percentage is good, the company did well in managing its cost of sales.

1. Net profit percentage

Net profit x 100

 Sales

 320,509 x 100

 3,377,223 = 9.4%

Interpretation: the net profit percentage is low.

1. Expenses percentage

Individual expenses x 100

Total expenses

 Selling and distribution expenses: 237,375 x 100 = 22.4%

 1,066,984

 Administrative expenses: 829,609 x 100 = 77.75

 1,066,984

Interpretation: the selling and distribution expenses has a lesser Wight on expenses than administrative expenses.

1. Expenses to sales

Individual expenses x 100

 Sales

Selling and distribution expenses: 237,375 x 100 = 7.03%

 3,377,223

Administrative expenses: 829,609 x 100 = 24.56%

 3,377,223

Interpretation: this ratio increased as a result of sales so there is an improvement in profit.

1. Gearing ratio

Debt = 1,722,247 = 0.61

Equity 2,813,052

Interpretation: the company is low geared because it has more equity capital

1. Total debt to shareholders’ fund

Noncurrent liabilities + current liabilities

 Equity

 = 437,209 + 1,285,038 = 0.61: 1

 2,813,052

**Thomas Wyatt 2018**

1. Current ratio

= current assets = 26,194,088 = 0.12:1

 Current liabilities 215,678,121

Interpretation: the current ratio is low; the firm might have difficulty paying its maturing debt obligation.

1. Quick asset ratio

= current asset- inventory = 26,194,088 – 4,435,797 = 0.10: 1

 Current liabilities 215,678,121

Interpretation: this indicates that all current assets except inventories will generate cash to pay only 10percent of its maturing debt obligations.

1. Receivables collection period

= Average trade receivables x 365days

 Credit sales

68,435,545 x 365days = 289.2days

 86,359,615

 Interpretation: this means that the firm extends a lot of credit to other firms.

1. Payables payment period

=Average trade payables x 365days

 Credit purchases

 197,388,891 x 365days = 937days

 76, 840,284

 Interpretation: this indicates that the firm takes 937 days to make payment for goods and services after they are purchased.

1. Inventory turnover period

= average inventory x 365days

 Cost of sales

 8,615,210 x 365day = 36.9days.

 85,199,110

Interpretation: this shows that the inventory stays for at least 36.9 days before being sold.

1. Receivables turnover

Credit sales = 86,359,615 = 1.26times

Average receivables 68,435,545

 Interpretation: the number of times trade receivable are turned over is low.

1. Payables turnover

Credit purchases = 76, 840, 284 = 0.4times

Average trade payables 197,388,891

Interpretation: this shows that the payables are turned over 0.4times which is lower, the lower the better.

1. Inventory turnover

Cost of sales = 85,199,110 = 9.89

Average inventory 8,615,210

Interpretation: the inventory turnover is 9.89

1. Return on capital employed

= profit = -98,529,502 = -0.45

 Capital employed 216,700,353

Interpretation: this implies that the company is more efficient than profitable.

1. Gross profit percentage

Gross profit x 100

Sales

 1,160,505 x 100

 86,359,615 = 1.34%

1. Net profit margin

Net loss x 100 =

Sales -98,529,502 x 100

 86,359,615 = -114.09%

INTERPRETATION; the business has a relative profitability over sales.

1. Expense percentage

Individual expenses x 100

Total expenses

Administrative expenses = 47,544,815 x 100 = 95.08%

 50,006,285

 Distribution expenses= 2,461,470 x 100 = 4.92%

 50,006,285

 Interpretation: this shows that there is a relative weight of each item in relation to total expenses. Admin expenses has weight on the expenses compared to distribution expenses.

1. Expenses to sales

Individual expenses x 100

 Sales

Administrative expenses = 47,544,815 x 100 = 2.85%

 86,359,614

Distribution expenses = 2,461,470 x 100 = 2.85%

 86,359,615

Interpretation: this shows that there is an improvement in the net profit to sales percentage.

1. Earnings per share

Profit after tax

No of ordinary shares issued

 =98,529,502 = 0.04

 220,000,000

This shows potential return of 0.04 on the shareholders’ investment

1. Price earnings ratio

Market price per share

Earnings per share

 = 0.50 = 12.5

 0.04

This is shows that throughout a year period the price earning is 12.5

1. Earnings yield

Earnings per share

Market price per share

 = 0.04

 0.50

 = 0.08 x 100 = 8%

1. Gearing ratio

Debt

Equity

 = 265,000,000 = 0.92

 286,260,766

The company is said to be low geared.

1. Total debt to shareholders’ fund

Non-current liabilities + current liabilities

 Equity

 = 718,639,240 = -2.51

 -286,260,766

 CONSUMER GOODS (NIGERIA BREWERIES)

1.Short term solvency ratio

1. Current ratio = Current assets

 Current liabilities

 =86,284,102

 134,695,925

 = 0.62:1

Interpretations: since the current ratio is low, this indicates that the business may be unable to pay/meet its short-term obligations

1. Quick asset ratio = Current asset-labilities

 Current liabilities

 =86,284,102-32,506,324

 139,695,428

 =0.38:1

Interpretations: this indicates that the business may be unable to pay/meet its short-term obligations or liabilities.

1. Receivable collection period = Trade receivables × 365days

Credit sales

 =35,153,451 × 365days

 324,388,500

 the number of times trade receivable are turned over is average and reasonable.

 =39.5days

1. Payable payment period = Average trade payable × 365days

 Credit purchase

 =114,151,861 ×365

 197,484,694

 =260.8days

 The payable payment period is high and it is good as it will increase their working capital and cash flow.

1. Inventory turnover = Average inventory × 365days

 Cost of sales

 = 32,506,824 × 365

 197,484,692

 =60.0days

The inventory turnover period is high. the inventory stays for at least 6o days before being sold

1. Receivable turnover = Credit sales

 Average receivable

 = 324,388,500

 85,153,451

 =92times.

This is very good, as receivables pay at least 92 times.

1. Payable turnover = Credit payable

 Average payable

 = 197,434,694

 114,151,861

 =1.7times

Interpretation: this shows that the payables are turned over 1.7times which is lower, the lower the better.

1. Inventory turnover = Cost of sales

 Average inventory

 = 197,484,697

 32,506,824

 =6.0times

Inventory sis bought at least 6.0 times

2. Efficiency ratio

1. Gross profit margin = Gross profit × 100

 Sales

 =126,903,806 × 100

 324,388,500

 39.1%

1. Net profit margin = Net profit × 100

 Sales

 =19,437,944 ×100

 324,388,500

 = 5.9%

Interpretation I; the business has a relative profitability over sales.

1. Expenses percentage = Individual expenses × 100

 Total expenses

 Marketing &dist. expenses = 70,052,363 × 100

 40,837,616

 = 71.1%

 Administrative expenses = 20,785,259 × 100

 40,837,616

 =22.8%

 Interpretation: the marketing d distribution expenses has more weight on total expenses than administrative expenses.

1. Expenses to sales = Individual expenses × 100

 Sales

 Marketing &dist. expenses = 70,052,363 × 100

 324,388,500

 = 21.5%

 Admin expenses = 20,785,259 × 100

 324,388,500

 = 6.4%

This indicates that there is an improvement on profit.

3. Investors/shareholders ratio

1. Earnings per share = PAT – Preference dividend

 Ordinary share

 = 19,437,987-8,854,153 = 50.8kobo

 208,265

1. Price earnings ratio = Market price per share

 Earnings per share

 50.5 = 20.7times

 243

1. Earnings yield = Earnings per share

 Market price per share

 = 243

 50.5

 =481.1

1. Net asset per share = 388,262,869

 208,263

 =1684.3

1. Dividend per share = Gross dividend

 No of ordinary share

 = 29,828,447

 208,263

 = 143.2

1. Dividend yield = DPS × 100

 MPS

 = 143.2 × 100

 50.5

 =283.5

1. Dividend ratio = PAT - dividend

 Gross dividend

 = 19,437,944 – 8,851,153

 29,323,444

 = 19,437,943

 CONSUMER GOODS(NESTLE)

1.Short-term solvency & liquidity ratio

1. Current ratio/ working capital ratio = Current assets

 Current liabilities

 =82,734,317

 92,117,501

 = 0.9:1

Interpretations: since the current ratio is low, this indicates that the business may be unable to pay/meet its short-term obligations

1. Quick asset or Acid test ratio = Current assets – inventory

 Current liabilities

 = 82,734,317 -23,124,020

 92,117,501

 = 0.65:1

Interpretations: this indicates that the business may be unable to pay/meet its short-term obligations

1. Receivables collection period = Average trade receivables × 365

 Credit sales

 = 42,175,062

 266,274,621

 = 57.8days

1. Payables payment period = Average trade payable × 365

 Credit purchases

 = 60,384,454

 152,354,445

 =144.7days

1. Inventory turnover period = Average inventory × 365

 Cost of sales

 = 23,124,020

 152,357,445

 =55.4days

1. Receivable turnover = Credit sales

 Average receivables

 = 266,274,621

 42,175,062

 =6.3times

1. Payables turnover = Credit purchases

 Average trade payable

 =152,354,445

 60,384454

 = 2.5times

1. Inventory turnover = Cost of sales

 Average inventory

 = 152,354,445

 23,124,020

 =6.58

2.Efficiency /profitability ratio

 I. Return on capital employed= profit(Return) × 100

 Capital employed

 = 59,750,846

 162,334,442-92,117,501

 = 59,750,846

 70,216,921

 = 0.9 = 9%

 ii. Gross profit percentage = Gross profit × 100

 Sales

 = 113,920,176

 266,274,621

 =42.8%

1. Net profit percentage = Net profit × 100

 Sales

 =43,008,026

 266,274,621

 = 16.2%

1. Expenses percentage = Individual expenses × 100

 Total expenses

 Marketing distribution expenses = 43,489,890

 43,489,890+9,789,555

 = 43,489,890

 53,277,945

 = 81.6%

 Admin expenses = 9,789,555

 43,489,890+9,789,555

 = 9,789,555

 53,279,445

 =18.4%

1. Expenses to sales = Individual expenses × 100

 Sales

 Marketing & distribution expenses = 43,489,890

 266,274,621

 =16.3%

 Admin expenses = 9,789,555

 266,274,621

 = 3.7%

3. Investors/ shareholders ratio

1. Earnings per share: 54.26
2. Net asset per share = Net asset

 =70,216,921

 796,656,952

 =63.36

4. Long term solvency

 CONSUMER SERVICES: TRANSCORP HOTELS

1.Short-term solvency & liquidity ratio

1. Current ratio/ working capital ratio

 = $x=\frac{Current asset}{Current liabilities}$

 =$x=\frac{5,832,857}{19,885,332}$

 = 0.3:1

Interpretation: since the current ratio is low, this indicates that the business may be unable to pay/meet its short-term obligations.

1. Quick assets/ Acid test ratio

 =$x=\frac{Current assets-Inventory}{Current liabilities}$

 =$x=\frac{5,832,857-573,532}{19,885,332}$

 =0.3:1

Interpretation: this indicates that the business cannot fully pay back its short-term obligations

1. Receivables collection period

 =$x=\frac{Average trade receivable}{Credit purchases}$×365days

 =$x=\frac{2,062,563}{17,424,966}$×365

 =43.2

1. Payables payout period

 =$x=\frac{Average trade payable}{Credit purchase}$×365days

 =$x=\frac{8,036,253}{4,536,148}$×365

 =64.7

1. Inventory turnover period

 =$x=\frac{Average inventory}{Cost of sales}$×365days

 =$x=\frac{573,532}{4,536,148}$×365

 =46.15

1. Receivable turnover

 =$x=\frac{Credit sales}{Average receivable}$

 =$x=\frac{17,424,966}{2,062,563}$

 =8.5

1. Payable turnover

 =$x=\frac{Credit purchases}{Average payable}$

 =$x=\frac{4,536,148}{8,036,253}$

 =0.56

1. Inventory turnover

 = $x=\frac{Cost of sales}{Average inventory}$

 =$x=\frac{4,536,148}{573,532}$

 =7.9

2.Efficiency/profitability ratio

1. Return on capital employed

 =$\frac{Profit(return)}{Capital employed}$

 Capital employed=TA-CL

 =57,461,507-4,883,332

 =37,576,185

 Profit= 5,029,391

 =$x=\frac{5,029,391}{37,576,185}$×100

 =13.38%

1. Gross profit percentage

 =$x=\frac{Gross profit}{Sales}$×100

 =$x=\frac{12,888,818}{17,424,966}$×100

 =73.97%

1. Net profit percentage

 =$x=\frac{Net profit}{Sales}$×100

 =$x=\frac{3,713,696}{17,424,966}$×100

 =21.3%

1. Expenses percentage

 =$x=\frac{Individual expenses}{Total expenses}$

 Admin expenses =$x=\frac{8,430,763}{9,758,640}$ ×100= 86.4%

 Income tax expenses=$x=\frac{1,327,885}{9,758,640}$ ×100= 13.61

1. Expenses to sales

 = $x=\frac{Individual expenses}{Sales}$×100

 Admin expenses = $x=\frac{8,430,763}{17,424,966}$×100 =

 Income tax =$x=\frac{1,329,885}{17,424,966}$×100 = 7.6%

3. Investors/ shareholders ratio

1. Earnings per share

 = PAT

 Number of ordinary shares earned

 = 3,713,696

 3,800,202

 = 49

4. Long term solvency and liquidity ratio

1. Total debt to shareholder’s funds

 = Non-current liabilities Current liabilities

 Equity/shareholders

 = 53,816,377

 57,638,000

 =0.9

 CAPITAL HOTELS PLC

1.Short term solvency and liquidity ratio

1. Current ratio or working capital ratio

 =Current assets

 Current liabilities

 =5,698,285

 2,630,478

 =2.17:1

Interpretation: since the current ratio is high, this indicates that the business will be able to pay/meet its short-term obligations

1. Quick assets or acid test ratio

 =Current assets-inventory

 Current liabilities

 =5,698,295-141,990

 2,630,478 = 2.11:1

Interpretation: this is a normal quick ratio; this indicates that the business can instantly get rid of its current liabilities.

1. Receivables collection period

 = Average trade receivable ×365days

 Credit sales

 =1,620,077 × 365

 5977,436

 =98.9days

1. Payables payment period

 =Average trade payable × 365days

 Credit purchase

 = 2,378,096 × 365

 4,869,732

 =178.2days

1. Inventory turnover

 = Average inventory × 365days

 Cost of sales

 = 141,990 × 365

 4,869,732

 =10.6days

1. Receivable turnover

 = Credit sales

 Average receivable

 = 5,977,436

 1,620,077

 = 3.69

1. Payable turnover

 = Credit purchase

 Average trade payable

 =4,869,732

 2,378,096

 =2.0

1. Inventory turnover

 = Cost of sales

 Average inventory

 =4,869,732

 141,990

 =34.3

2. Efficiency/profitability ratio

1. Return on capital employed = Profit before tax × 100

 Capital employed

 = 437,010

 10,076,819-2,630,478

 = 437,010 × 100

 7,446,341

 = 5.87%

1. Gross profit percentage

 = Gross profit × 100

 Sales

 = 1,107,704 × 100

 5,977,436

 =18.5%

1. Net profit percentage

 = Net profit × 100

 Sales

 = 379,946 × 100 = 6.36

 5,977,436

1. Expenses percentage = Individual expenses × 100

 Total expenses

 Admin expenses = 721,477 ×100

 721,477+127,835

 =721,477 × 100 = 84.95%

 849,282

Income tax expense = 127,835 × 100

 721,477+127,835

 = 127,835 × 100

 849,282

 = 15.05%

1. Expenses to sales = Individual expenses × 100

 Sales

 Admin expenses = 721,477 × 100 = 12.07%

 5,977,436

 Income tax expenses =127,835 × 100 = 2.14%

 5,977,436

3. Investors / shareholders ratio

1. Earnings per share= PAT-Preference dividends

 No of ordinary share issued

 = 25k

1. Net Asset per share= 697k

 HEALTH CARE (GLAXO SMITHKLINE CONSUMER NIGERIA PLC)

1.Short term solvency and liquidity ratio

1. Current ratio / working capital ratio

 =$\frac{Current assets }{Current liabilities}$

 =$\frac{13,338,313}{6,760,189}$

 =1.97:1

1. Quick assets or acid test ratio

 =$\frac{Current assets-Inventory}{Current liabilities}$

 =$\frac{13,338,313-3,938,707}{6,760,189}$

 =$\frac{9,399,606}{6,760,189}$

 =1.39:1

1. Receivable collection period

 =$\frac{Average trade receivable}{Credit sales }$×365days

 =$\frac{5,740,325}{18,411,475}$×365

 =113.8times

1. Payable payment period

 =$\frac{Average trade payable}{Credit purchases}$×365days

 =$\frac{6,244,359}{4,654,697}$×365

 =195.6times

1. Inventory turnover period

 =$\frac{Average inventory}{Cost of sales}$×365days

 =$\frac{3,938,707}{11,654,697}$×365days

 =123.4times

1. Receivable turnover

 =$\frac{Credit sales}{Average receivable }$

 =$\frac{18,411,475}{5,740,325}$

 = 3.21

1. Payable turnover

 =$\frac{Credit purchases}{Average trade payable}$

 =$\frac{11,634,697}{6,244,359}$

 = 1.87

1. Inventory turnover

 =$\frac{Cost of sales}{Average inventory}$

 =$\frac{11,634,697}{3,938,707}$ = 2.97

2.Efficiency / Profitability ratio

1. Return on capital employed

 =$\frac{Profit (Return)}{Capital employed}$

 =$\frac{1,160,154}{8,939,867}$×100

 =0.13

1. Gross profit percentage

 =$\frac{Gross profit}{Sales}$×100

 =$\frac{6,756,778}{18,411,475}$×100

 =36.7

1. Net profit percentage

 =$\frac{Net profit}{sales}$×100

 = $\frac{617,624}{18,411,475}$×100

 =3.35

1. Expenses percentage

 =$\frac{Individual expenses}{Total expenses}$×100

 Sales and distribution=$\frac{Selling and distribution costs }{Selling and distribution+Admin expenses}$

 =$\frac{3,096,566}{3,096,566+2,246,281}$×100

 =

 Admin expenses=$\frac{Admin expenses}{Admin expenses+selling and distribution expenses }$×100

 =$\frac{2,246,281}{2,246,281+3,096,566}$×100

 =

1. Expenses to sale

 =$\frac{Individual expense }{sales}$×100

 = $\frac{Selling and distribution expenses }{Sales}$×100

 =$\frac{3,096,566}{18,411,475}$×100 = 16.8

 =$\frac{Admin expenses}{Sales}$×100

 =$\frac{2,246,281}{18,411,475}$×100

 =12.2

3. Investors ratio

1. Price earnings ratio

 =$\frac{MPPS}{EPS}$

 =$\frac{0.90}{0.74}$

 =1.22times/year

1. Earnings yield

 =$\frac{EPS}{MPS}$×100

 =$\frac{0.74}{0.90}$×100

 =82.2

1. Dividend per share

 =$\frac{Gross dividend}{number of ordinary shares}$

 =$\frac{3,927}{4,436}$

 =0.88

1. Dividend payout ratio

 =$\frac{DPS}{EPS}$×100

 =$\frac{0.88}{0.74}$×100

 =118.9

1. Dividend yield

 =$\frac{DPS}{MPS}$×100

 =$\frac{0.88}{0.90}$×100

 =97.7

4. Long term solvency ratio

1. Gearing ratio

 =$\frac{Debt}{Equity}$

 =$\frac{21,621}{3,672}$

 =5.89

1. Total debt to shareholder’s funds

 =$ \frac{NCL+CL}{Equity}$

 =$ \frac{54,394}{3,672}$

 =14.8

 MM & Baker Nigeria Plc

1.Short-term solvency and liquidity ratio

1. Current ratio/working capital

 =$ \frac{Current assets }{Current liabilities }$

 = $ \frac{8,095,707}{3,159,359}$

 =2.57

1. Quick Assets or acid test ratio

 =$ \frac{Current assets-Inventory}{Current liabilities}$

 =$ \frac{8,095,707-1,270,045}{3,149,359}$

 =$ \frac{6,825,662}{3,149,359}$

 =2.17

1. Receivable collection period

 =$ \frac{Average trade receivable}{Credit sales}$×365days

 =$ \frac{1,944,549}{7,018,992}$×365

 =101

1. Payables payment

 =$ \frac{Average trade payables}{Credit purchases}$×365

 =$ \frac{1,063,864}{4,459,253}$×365

 = 87.08

1. Inventory turnover period

 =$ \frac{Average inventory}{Cost of sales}$×365

 =$ \frac{1,270,045}{4,459,523}$×365

 =103.95

1. Receivable turnover

 =$ \frac{Credit sales}{Average receivable}$

 =$ \frac{7,018,997}{1,944,549}$

 =3.61

1. Payable turnover

 =$ \frac{Credit purchases}{Average trade payable}$

 =$ \frac{4,459,253}{1,063,864}$

 =4.19

1. Inventory turnover

 =$ \frac{Cost of sales}{Average inventory}$

 =$ \frac{4,459,253}{1,270,045}$

 =3.5

2. Efficiency / profitability ratio

1. Return on capital employed

 = $\frac{Profit before tax(operating income) }{Capital employed }$

 =$\frac{736,531}{8,095,707-3,159,359}$

 =$\frac{736,531}{4,946,348}$

 =0.15×100

 =15

1. Gross profit percentage/gross margin

 = $\frac{Gross profit}{Sales}$×100

 =$\frac{2,559,740}{7,018,992}$×100

 =36.47

1. Net profit margin

 =$\frac{Net profit}{Sales}$×100

 =$\frac{63,341}{7,018,992}$×100

 =0.9

1. Expenses percentage =$\frac{Individual expenses}{Total expenses }$×100

 Distribution, sales and marketing expense= $\frac{1,250,870}{1,250,870+641,332}$×100

 =$\frac{1,250,870}{1,892,202}$×100

 =66.1

 Admin expenses= $\frac{,332}{641,364132+1,250,870}$×100

 =$ \frac{641,332}{1,892,202}$×100

 =33.894

1. Expenses to sale =$ \frac{Individual expenses }{Sales}$×100

 Distribution &marketing expenses=$ \frac{1,250,870}{7,018,992}$×100

 =17.8

 Admin expenses = $ \frac{641,332}{7,018,992}$×100

 =9.14

1. Investors ratio
2. Price earnings ratio= MPPS

 EPS

 =2.16

 0.38

 =5.68times

1. Earnings yield = EPS × 100

 MPS

 =0.38 × 100

 2.16

 =17.59%

1. Dividend per share = Gross dividend

 Number of ordinary share

 =196,000

 980,000

 =0.2

1. Dividend payment ratio = DPS × 100

 EPS

 =0.2 × 100

 0.38

 = 52.63%

1. Dividend yield = DPS × 100

 MPS

 =0.2× 100

 2.16

 =9.6%

4.Long term solvency ratio

1. Total debt to shareholder’s fund = Non-current liabilities current liabilities

 Equity

 = 4,427,555

 3,708,011

 =1.19

 INDUSTRIALS

1.Short term solvency &liquidity ratio

1. Current ratio/working capital ratio = Current asset

 Current liabilities

 28,550,830

 13,723,312

 2.1:1

1. Quick Assets or Acid test ratio = Current asset – inventory

 Current liabilities

 = 28,550,830-6,237,740

 13,723,312

 = 1.763:1

1. Receivables collection period = Average trade receivables × 365

 Credit sales

 = 13,438,292 × 365

 2,632,104

 = 186.4days

1. Payables payment period =Average trade payable × 365

 Credit purchases

 = 11,598,037 × 365

 19,940,375

 = 213days

1. Inventory turnover period = Average inventory × 365

 Cost of sales

 =6,239,740 × 365

 19,940,3785

 = 114.2days

1. Receivable turnover = Credit sales

 Average receivables

 = 26,321,014

 13,438,292

 =1.96times

1. Payable turnover = Credit purchases

 Average trade payable

 = 19,940,375 = 1.7times

 11,598,037

1. Inventory turnover = Cost of sales

 Average inventory

 = 19,940,375 = 3.2

 6,239,740

2. Efficiency/profitability ratio

1. Return on capital employed = Profit before tax

 Capital employed

 = 7,188,181

 46,079,629-13,723,312

 = 7,188,181

 32,356,317

 = 22.2

1. Gross profit percentage = Gross profit percentage × 100

 Sales

 = 6,380,639 × 100

 26,321,014

 = 24.2%

1. Net profit percentage = Net profit × 100

 Sales

 = 5,052,805 × 100

 26,321,014

 = 19.2%

1. Expenses percentage = Individual expenses × 100

 Total expenses

 Selling and distribution expenses = 81,161 × 100

 81,161+1,245,189

 = 81,161 × 100

 1,326,350

 = 61%

Administrative expenses = 1,245,189 × 100

 81,161+1,245,189

 = 1,245,189 × 100

 1,326,350

 =93.8%

1. Expenses to sales = Individual expenses × 100

 Sales

Selling & distribution expenses = 81,161 × 100

 26,321,014

 = 0.3%

Administrative expenses = 1,245,189 × 100

 26,321,014

 =4.7%

3. Investors/shareholders ratio

1. Earnings per share = 10.11K
2. Dividend per share = 130K
3. Dividend payout ratio = 13%
4. Net Asset per share = 59.26

4. Total debt to shareholder’s funds

 = Non-current liabilities Current liabilities

 Equity

 = 16,452,056

 29,627,573

 = 0.56

 TECHNOLOGY

CHAMS

1.Short term solvency and liquidity ratio

1. Working capital/Current ratio

 Formula=$ \frac{Current assets}{Current liabilities}$

 Current Assets = 1,755,358

 Current Liabilities=3,560,159

 Ratio =0.49:1

Interpretations: since the current ratio is low, this indicates that the business may be unable to pay/meet its short-term obligations

1. Quick assets or Acid test ratio

Formula=$\frac{current assets-Inventory}{Current liabilities}$

 Current Assets=1,755,358

 Current Liability=3,560,169

 Inventory=247,780

 $=\frac{1,755,358-247,780}{3,560,169}$

 $=\frac{1,507,578}{3,560,169}$

 =0.42:1

 Interpretations: this ratio is not ideal because it is not financially healthy; the company may not be able to fully pay off its current liabilities in the short-term.

1. Receivables collection period

 $=\frac{Average trade receivable}{Credit sales}×365days$

 Credit sales=3,012,513

 $=\frac{1,396,054}{3,012,513}$×365days

=169days

1. Payable payment period

 $=\frac{Average trade payable}{credit purchases}×365days$

 Credit purchases=2,226,979

 $=\frac{3,132,934}{2.226,979}×365days$

 =513.5

1. Inventory turnover period/ number of days’ inventory

 $=\frac{Average inventory}{Cost of sales}×365days$

 $=\frac{247,480}{2,226,979}$×365

 =40.6days

1. Receivable turnover$=\frac{Credit sales}{Average receivable}$

 $ $

 =$ \frac{ 3,012,513}{1,396,054}$

 =2.2 days

1. Payables turnover=$\frac{Credit purchases}{Average trade payable}$

 =$\frac{2,226,979}{3,132,934}$

 =0.7

1. Inventory turnover

 =$\frac{Cost of sales}{Average inventory}$

 Cost of sales=2,226,979

 =$ \frac{2,226,979}{247,780}$

 =8.99

2. EFFICIENCY/ PROFITABILITY RATIO

1. Return on capital employed =$\frac{profit return}{capital employed}$

 =301,614 =0.18

 1,694,813

1. Gross profit percentage / Gross margin

 =$ \frac{ Gross profit}{Sales} $× 100

 Gross profit = $\frac{785,534}{3,012,513}$×100

 =26.1

1. Net profit percentage/Net profit margin

 $=\frac{Net profit}{Sales}$ ×100

 Net profit = 951,217

 Sales = 3,012,513

 = $\frac{951,217}{3,012,513}$ ×100

 =31.6

3.INVESTORS/SHARE HOLDERS RATIO

1. Earnings per share

= $ \frac{PAT-Preference dividend}{number of ordinary shares issued}$

 =$ \frac{380,148}{2,348,030}$×100

 =16.19

1. Net asset per share

=$\frac{Net asset-Preference share capital}{Number of ordinary shares }$

 = $\frac{1,653,241}{125,000}$

 =13.23

 4.LONG TERM SOLVENCY AND STABILITY RATIO

1. Gearing ratio

 = $\frac{fixed interest}{Equity}$

Fixed interest =436,241

 Equity =2,089,482

 =$ \frac{436,241}{2,089,482}$

 =0.21

1. Fixed interest ratio

 =$ \frac{Profit before interest and tax}{Fixed interest}$

 = $\frac{301,614}{436,241}$

 = 0.69

1. Total debt

 =$ \frac{Non-current liabilities+current liabilities}{Equity}$

 = $\frac{3,601,741}{1,653,241}$

 =2.18

ETRANZACT

1.SHORT-TERM SOLVENCY AND LIQUIDITY RATIOS

1. Current ratio/working capital ratio

 =$\frac{Current assets}{Current liabilities}$

 =$\frac{4,105,003}{5,630,715}$

 =0.73:1

 Interpretation: the current ratio is low; the firm might have difficulty paying its maturing debt obligation.

1. Quick assets or Acid test ratio

 =$\frac{4,105,003-401,048}{5,630,715}$

 =0.66:1

Interpretation: the current ratio is low; the firm cannot fully pay back its current liabilities.

1. Receivables collection period

 =$\frac{Average trade receivables}{Credit sales}$×365days

 = $\frac{1,075,193}{18,621,653}$×365days

 =21.1days

1. Payable Payment Period

 =$\frac{Average Trade Payable}{Credit purchases}$×365days

 Credit purchases = 16,997,019

 =$\frac{5,564,590}{16,997,019}$×365days

 =119.5days

1. Inventory turnover

 =$\frac{Average inventory}{cost of sales}$×365days

 Cost of sales = 16,997,019

 =$\frac{401,048}{16,997,019}$×365days

 =8.6days

1. Receivables turnover

 =$ \frac{Credit sales}{Average receivable}$

 Credit sales = 18,621,653

 =$ \frac{18,621,653}{1,075,019}$

 =17.32 times

1. Payables turnover

 =$\frac{Credit purchases}{Average trade payable}$

 Credit purchases = 16,979,019

 $=\frac{16,979,019}{5,564,590}$

 =3.05times

1. Inventory turnover

 =$\frac{Cost of sales }{ Average inventory}$

 Cost of sales = 16,997,019

 =$ \frac{16,997,019}{401,048}$

 =42.38

2. EFFICIENCY/PROFITABILITY RATIO

1. Return on capital employed= $\frac{profit \left(return\right)}{Capital employed}$

Profit margin =$ \frac{ profit}{sales}$×100

 =$ \frac{3,163,413}{18,621,653}$×100 = 16.8

 Asset turnover = $\frac{sales}{capital}$×100

 = $\frac{18,621,653}{336,689}$×100 = 55.31

 ROCE = Profit margin × asset turnover

 Capital employed = CL-TA

 = 5,630,715 – 5,967,399

 =336,684

 ROCE = 16.8 × 55.31

 = 929.1

1. Gross profit percentage

 = $\frac{Gross profit}{sales}$×100

 =$\frac{1,624,634}{18,621,653}$×100

 =8.72

1. Net profit percentage

 = $\frac{Net profit}{Sales}$×100

 =$\frac{136,413}{18,621,653}$×100

 =16.84

3. Investors/shareholders ratio

1. Earnings per share

 = $\frac{PAT-Preference dividend}{Number of ordinary shares issued}$

 =$\frac{3,136,413}{4,200,000}$

 =0.75

4, Long term solvency ratio

I. Price Earnings Ratio; Market price per share.

 Earnings per share

 =4,200,000-2,100,000 \*0.5 =1,050,000

 =1,050,000. =14,000

 75

1. Earnings Yield = Earnings per share.

 Market price per share

 = 75.

 1,050,000 =0,07

1. Net asset per share=0,038
2. Dividend per share = gross dividend.

 No of ordinary shares

 =420,000. =0.1

 4,200.000

 OIL AND GAS (CONOIL)

1.Short-term solvency and liquidity ratio

1. Current ratio/ working capital ratio

 =$ \frac{Current assets}{current liabilities}$

 =$ \frac{54,908,451}{41,641,699}$

 =1.32:1

Interpretation: the firm is capable of paying its short term obligation, it is a high current ratio.

1. Quick asset/Acid test ratio

 =$ \frac{CA-Inventory}{current liabilities}$

 =$ \frac{54,908,451-9,141,599}{41,641,699}$

 =1.1:1

Interpretation: this is a normal quick ratio; the firm can easily get rid of its current liabilities.

1. Receivables collection period

 =$ \frac{Average receivables trade}{Credit sales}$×365days

 Credit sales = 122,213,014

 =$ \frac{30,295,096}{ 122,213,014}$×365days

 =90.48days

1. Payables payment period

 =$ \frac{Average trade payable}{Credit purchase}$×365days

 Credit purchases = 109,442,111

 =$ \frac{35,065,872}{109,442,111}$×365days

 =117days

1. Inventory turnover period

 =$ \frac{cost of sales}{Average inventory}$

 Cost of sales = 109,442,111

 =$ \frac{9,141,599}{109,442,111}$\*365

 =30.49days

1. Receivable turnover period

 =$ \frac{Credit sales}{Average receivable}$

 =$ \frac{122,213,014}{30,295,096}$

 =4.03 times

1. Payables turnover

 =$ \frac{Credit purchases}{Average trade payables}$

 Credit purchases = 109,442,111

 =$ \frac{109,442,111}{30295096}$

 = 3.12 times

1. Inventory turnover

 =$ \frac{Cost of sales}{Average inventory}$

 Cost of sales = 109,442,111

 = $\frac{109,442,111}{9141599}$

 = 11.97times

2. EFFICIENCY/PROFITABILITY RATIO

1. Return on capital employed

 =$ \frac{Profit(Return)}{Capital employed}$

 Profit margin = $\frac{Profit}{Sales}$×100

 =$ \frac{1,796,042}{122,213,014}$×100 = 1.47

Asset turnover = $\frac{Sales}{Capital employed}$×100

 =$ \frac{122,213,014}{19,225,547}$×100

 =6.35

 Capital employed = TA – CL

 =60,897,246 – 41,641,699

 =19,255,547

Return on capital employed = Profit margin × Asset turnover

 =1.47×6.35

 =9.33

1. Gross profit percentage

 =$ \frac{Gross profit}{Sales}$×100

 =$ \frac{12,770,902}{122,213,014}$×100

 =10.45

1. Net profit percentage

 =$ \frac{Net profit}{sales}$×100

 =$ \frac{1,796,042}{122,213,014}$×100

 =1.47

1. Expenses percentage

 =$ \frac{Individual expenses}{Total expenses}$×100

 Distribution expenses = $\frac{Distribution expenses}{Distribution expenses+admin expenses+finance cost}$

 =$ \frac{2,571,260}{2,571,260+6,238,524+1,508,064}$

 =$ \frac{2,571,260}{10,317,848}$

 =0.25

Admin expenses = $\frac{Admin expenses}{Admin expenses+distribution+finances}$

 =$ \frac{6,238,524}{6,238,524+2,571,260+1,508,064}$

 =$ \frac{6,238,524}{10,317,848}$

 =0.60

 Finance costs =$ \frac{1,508,064}{1,508,064+2,571,260+6,238,524}$

 =$ \frac{1,508,064}{10,317,848}$

 = 0.15

3. Investors/shareholders ratios

1. Earnings per share

= $\frac{PAT-Preference dividens}{number of ordinary shares issued}$

$$ $$

 =$ \frac{408,138}{346,976}$

 =1.17

1. The price earnings ratio

 =$ \frac{Market price per share}{Earnings per share}$

 =0.50×Number of shares outstanding

 Outstanding = 693,952,117-346,976

 =0.50×693,605,141

 =346,802,571

 =$ \frac{346,802,571}{259}$

 =1,339,006

1. Earnings yield

 = $\frac{Earnings per share}{Price per share}$

 =$ \frac{1,796,042}{346,802,571}$

 =0.05

$$ $$

$$ $$

 TOTAL NIGERIA PLC

1.Short term solvency and liquidity ratio

1. Current ratio/Working capital ratio

 =$x=\frac{Current assets}{Current liabilities}$

 =$x=\frac{89,912,403}{95,984,054}$

 =0.93:1

Interpretation: the current ratio is low; the firm might have difficulty paying its maturing debt obligation.

1. Quick assets/Acid test ratio

 =$x=\frac{Current asset-Inventory}{Current liabilities}$

 =$x=\frac{89,912,403-30,045,177}{95,984,054}$

 =0.62:1

Interpretation: this implies that the firm cannot fully pay back its current liabilities.

1. Receivables collective period

 =$x=\frac{Average trade receivables}{Credit sale}$×365days

 =$x=\frac{52,007,770}{307,987,890}$×365days

 =61.6days

The receivables collection period is high which gives the company an average of 61.6 days to pay their debt.

1. Payables payment period

 =$x=\frac{Average trade payable}{Credit purchase}$×365days

 =$x=\frac{61,583,881}{272,202,675}$×365

 =82.58days

 Interpretation: this indicates that the firm takes 82.58 days to make payment for goods and services after they are purchased

1. Inventory turnover period

 =$x=\frac{Average inventory}{Cost of sale}$×365days

 =$x=\frac{30,045,197}{272,202,676}$×365

 =40.3days

1. Receivable turnover

 =$x=\frac{Credit sales}{Average receivable}$

 =$x=\frac{307,987,896}{52,007,770}$

 =5.92

1. Payables turnover

 =$x=\frac{Credit sales}{Average payables}$

 =$x=\frac{307,987,896}{61,583,881}$

 =5.0

1. Inventory turnover

 =$x=\frac{Cost of sales}{Average inventory}$

 =$x=\frac{272,202,676}{30,045,177}$

 = 9.06

2.EFFICIENCY /PROFITABILITY RATIO

1. Return on capital employed

 =$x=\frac{Profit }{Capital employed}$

 Capital employed = Total asset – Current liabilities

 =132,520,783 – 95,984,057

 =36,536,729

 Profit = 7,960,893

 = $x=\frac{7,960,893}{36,536,729}$

 = 0.22

1. Gross profit percentage

 =$x=\frac{Gross profit}{sales }$×100

 =$x=\frac{34,785,220}{307,987,896}$×100

 = 11.29

1. Net profit percentage

 =$x=\frac{Net profit}{sales}$×100

 =$x=\frac{7,960,893}{307,987,896}$×100

 = 2.58

3. Investors/shareholders ratios

I. earnings per share =23.35k

iii. dividend cover: 1.38times

1. dividend per share; 17.0k