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TITLE OF TERM PAPER: ACCOUNTING RATIOS

NAME OF COMPANIES

**BASIC MATERIALS**:

Portland paints

BOC gases

**CONSUMER GOODS**

Nigeria breweries

Guinness Nigeria

**HEALTH CARE**

Glaxo smith

May and baker

**FINANCIALS**

UBA

Fidelity Bank

**TELECOMMUNICATION AND TECHNOLOGY**

Omatek venrtures

Chams

**CONSUMER SERVICES**

Capital hotel

ABC transport

**INDUSTRIALS**

Julius Berger

Beta Glass

**OIL AND GAS**

Mobil

Oando

* **BASIC MATERIALS**

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| RATIOS | PORTLAND PAINTS | BOC GASES |
| **Current ratio**Both of them will be able to settle its current liabilities because they both have the ideal ratio. | $$\frac{1,718,570}{700,439}=2:1$$ | $$\frac{2,119,056}{1,298,954}=2:1$$ |
| **Quick asset ratio** Portland paint Can get their cash converted quickly because they have the ideal ratio.  | $$\frac{1,718,570-728,047}{700,439}=$$$$\frac{990,523}{700,439}=1 :1$$ | $$\frac{2,119,056-156,404}{1,298,954}= \frac{1,962,652}{1,298,954}=2:1$$ |
| **Receivable recollection period**BOC gases will receive their receivable earlier. | $$\frac{476,180}{2,829,262} x 365=61.4days$$ | $$\frac{425,776}{2,869,713}x365=54.1days$$ |
| **Payables collection period**Portland paint will be able to settle their payables earlier than BOC gases | $$\frac{501,998}{1,753,972} x 365=104.4days$$ | $$\frac{1,026,198}{1,425,662}x365=262.7days$$ |
| **Inventory turnover period**BOC gases will sell their inventory earlier. | $$\frac{728,047}{1,753,972} x 365=151.5days$$ | $$\frac{156,404}{1,425,662}x365=40days$$ |
| **Receivables turnover**Portland paints will be able to turnover their receivable better than BOC Gases. | $$\frac{2,829,262}{476,180}=5.9times$$ | $$\frac{2,869,713}{425,776}=6.7times$$ |
| **Payables turnover**BOC gases will turnover better than Portland paints. | $$\frac{1,753,972}{501,988}=3.4times$$ | $$\frac{1,425,662}{1,026,198}=1.3times$$ |
| **Inventory turnover**Portland paints will turnover their inventory better than BOC gases. | $$\frac{1,753,972}{728,047}=2.4times$$ | $$\frac{1,425,662}{156,404}=9.1times$$ |
| **ROCE**BOC gases is more efficient than Portland paints. | $$\frac{306,635}{396,708}=0.7$$ | $$\frac{357,604}{208,122}=1.7$$ |
| **Gross profit % or gross margin**BOC gases has a higher rate of gross profit. | $$\frac{1,075,290}{2,829,262}x100=38\%$$ | $$\frac{1,444,051}{2,869,713}×100=50\%$$ |
| **Net Profit Percentage**BOC gases has a higher net profit | $$\frac{206,6923}{2,829,262}x100=7.3\%$$ | $$\frac{357,604}{2,829,262}x100=12.6\%$$ |
| **Expenses to percentage**Selling and distributionAdministrationPortland have higher expense rate. | $$\frac{264,619}{816,502}x100\%=32.4\%$$$$\frac{551,883}{816,502}x100\%=68\%$$ | $$\frac{509,929}{1,040,554}x100=49\%$$$$\frac{530,625}{1,040,554}x100\%=50\%$$ |
| **Expenses to sales**Selling and distributionAdministrationBOC gases has higher expense to sales percentage. | $$\frac{264,619}{2,829,262}x100\%=9.3\%$$$$\frac{551,883}{2,829,262}x100=20\%$$ | $$\frac{509,929}{2,829,262}x100=18\%$$$$\frac{530,625}{2,829,262}x100\%=19\%$$ |
| Price earnings ratioBOC gases will earn faster than Portland paint. | $$\frac{26}{2.23}x100\%=1165.9$$ | $$\frac{6.12}{86}x100\%=7.12$$ |

* **CONSUMER GOODS**

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| **Ratios** | **Nigerian breweries** | **Guinness Nigeria** |
| **Current ratio**Guinness Nigeria will be able to settle its current liabilities faster than Nigerian breweries.. | $$\frac{86,284,102}{139,695,428}=0.62:1$$ | $$\frac{54,610,047}{421,847,115}=1.27:1$$ |
| **Quick asset ratio** Guinness Nigeria Can get their cash converted quickly because they have the ideal ratio.  | $$\frac{86,284,102-32,506,824}{139,695,428}=0.38:1$$ | $$\frac{54,610,047-19,032,362}{42,847,115}=0.83:1$$ |
| **Receivable recollection period**Nigerian breweries gases will receive their receivable earlier. | $$\frac{35,153,451}{324,388,500}x365=39.5days$$ | $$\frac{23,890,304}{142,975,792}x365=60.9days$$ |
| **Payables collection period**Guinness Nigeria will be able to settle their payables earlier. | $$\frac{114,151,861}{197,484,694}x365=260.8days$$ | $$\frac{31,175,725}{94,350,387}x365=120.6days$$ |
| **Inventory turnover period**Nigerian breweries will sell their inventory earlier. | $$\frac{32,506,824}{197,484,694}x365=60.0days$$ | $$\frac{19,032,362}{94,350,387}x365=734.6days$$ |
| **Receivables turnover**Guinness Nigeria will be able to turnover their receivable better than Nigerian breweries. | $$\frac{324,388,500}{35,153,451}=9.2times$$ | $$\frac{142,975,792}{23,890,304}=5.98times$$ |
| **Payables turnover**Nigerian breweries will turnover better. | $$\frac{197,484,694}{114,151,861}=1.7times$$ | $$\frac{94,350,387}{31,175,725}=3.02times$$ |
| **Inventory turnover**Guinness Nigeria will turnover their inventory better. | $$\frac{197,484,694}{32,506,824}=6.0times$$ | $$\frac{94,350,387}{190,032,362}=0.49times$$ |
| **ROCE**They both have the same efficiency rate. | $$\frac{19,437,944}{166,828,452}=0.11$$ | $$\frac{29,421,952}{248,567,441}=0.11$$ |
| **Gross profit % or gross margin**Nigerian breweries have a higher rate of gross profit. | $$\frac{126,903,806}{324,388,500}x100=39.1\%$$ | $$\frac{48,625,405}{142,975,792}x100=34\%$$ |
| **Net Profit Percentage**Nigerian breweries have highest net profit between the two of them. | $$\frac{19,437,944}{324,388,500}x100=5.9\%$$ | $$\frac{6,717,605}{142,975,792}x100\%=4.69$$ |
| (**Expenses percentage)**Marketing and distributionAdministrative expensesThey both have the same weight to expense percentage | $$\frac{70,052,3634}{90,837,616}x100=77.1\%$$$$\frac{20,785,259}{90,837,616}x100=22.8\%$$ | $$\frac{26,012,074}{35,907,520}x100=72\%$$$$\frac{9,895,446}{35,907,520}x100=28\%$$ |
| (**Expenses to sale)**Marketing and distribution expensesAdministrative expensesNigerian breweries have the highest weight of expense to sale. | $$\frac{70,052,3623}{324,388,500}x100=21.5\%$$$$\frac{20,785,259}{324,388,500}x100=6.4\%$$ | $$\frac{26,012,074}{142,975,792}x100=18.1\%$$$$\frac{9,895,446}{142,975,792}x100\%=6.92\%$$ |
| **Earnings /share**This ratio shows that Guinness Nigeria has lower earnings per share. | $$\frac{19,437,944-8,854,153}{208,263}=50.8kobo$$ | $$\frac{6,71`7,605-752,944}{2,190,382,819}=2.7kobo$$ |
| **Price earnings ratio**Nigerian breweries have higher rate of earning ratio. | $$\frac{50.5}{243}=0.20times$$ | $$\frac{31}{330}=0.09times$$ |
| **Earning yield**Guinness Nigeria has a higher potential return on the share holders investment | $$\frac{243}{50.5}x100=481.1$$ | $$\frac{330}{31}x100\%=1,064times$$ |

* **HEALTH CARE SECTOR**

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| **Ratios** | **Glaxo Smith Kline (GSK)** | **May and Baker** |
| **Current ratio**Glaxo smith kline will be able to settle its current liabilities because they have the ideal ratio. | $$\frac{13,338,313}{6,760,189}=2:1$$ | $$\frac{8,095,707}{3,149,359}=3:1$$ |
| **Quick asset ratio** GSK Can get their cash converted quickly because they have the ideal ratio.  | $$\frac{13,338,813-3,938,207}{6,760,189}=1.39:1$$ | $$\frac{8,095,707-1,290,045}{3,149,359}=\frac{6,825,662}{3,149,359}=2.17:!$$ |
| **Receivable recollection period**M&B will receive their receivable earlier. | $$\frac{5,740,325}{18,411,475}x365=114days$$ | $$\frac{1,944,549}{7,018,992}x365=101days.$$ |
| **Payables collection period**M&B will be able to settle their payables earlier. | $$\frac{6,244,359}{11,654,697}x365=196days$$ | $$\frac{1,063,864}{4,459,253}x365=87.08days$$ |
| **Inventory turnover period**M&B will sell their inventory earlier. | $$\frac{3,938,707}{11,654,697}x365=123days$$ | $$\frac{1,270,045}{4,457,523}x365=103.95days$$ |
| **Receivables turnover**GSK will be able to turnover their receivable better than M&B. | $$\frac{18,411,475}{5,740,325}=3.2times$$ | $$\frac{7,018,997}{1,944,549}=3.61times$$ |
| **Payables turnover**M&B will turnover better than GSK.. | $$\frac{11,654,697}{6,244,359}=1.9times$$ | $$\frac{4,459,253}{1,063,864}=4.19times$$ |
| **Inventory turnover**M&B will turnover their inventory better than GSK. | $$\frac{11,654,697}{3,938,707}=2.95times$$ | $$\frac{4,59,253}{1,270,045}=3.5times$$ |
| **ROCE**BOC gases is more efficient than Portland paints. | $$\frac{617,624}{8,939,867}0.06=$$ | $$\frac{736,531}{4,946,348}=0.15$$ |
| **Gross profit % or gross margin**GSK has a higher rate of gross profit. | $$\frac{6,756,778}{18,411,475}x100=37\%$$ | $$\frac{2,559,740}{7,018,992}x100=36.47\%$$ |
| **Net Profit Percentage**GSK has higher net profit percentage. | $$\frac{617,624}{18,411,475}x100\%=3.35\%$$ | $$\frac{63,341}{7,018,992}x100=0.9\%$$ |
| **(Expenses percentage)**selling and distributionAdministrative expensesThey both have approximately the same expense percentage rate. | $$\frac{3,096,566}{5,342,847}x100\%=58\%$$$$\frac{2,246,2812}{5,342,847}x100\%=42\%$$ | $$\frac{1,250,870}{1,892,202}x100=66.1\%$$$$\frac{641,332}{1,892,202}x100=33.89\%$$ |
| **(Expenses to sale)**selling expensesAdministrative expensesGSK have the highest expenses to sale. | $$\frac{3,096,566}{18,411,475}x100\%=17\%$$$$\frac{2,246,281}{18,411,475}x100\%=12.2\%$$ | $$\frac{1,250,870}{7,018,992}x100=17.8\%$$$$\frac{641,332}{7,0128,992}x100=9.14\%$$ |
| **Price earnings ratio**M&B has more price earning ratio. | $$\frac{6.3}{52}=0.12times$$ | $$\frac{2.16}{0.38}=0.56 times$$ |
| **Earning yield**GSK has higher potential returns. | $$\frac{52}{6.3}x100=825$$ | $$\frac{0.38}{2.16}x100=17.59$$ |

* **FINANCIAL SECTOR**

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| **RATIO** | **UNITED BANK FOR AFRICA** | **ZENITH BANK** |
| **ROCE**Zenith bank made more profit than UBA | $$\frac{55,350}{365,598}=0.15$$ | $$\frac{165,480}{675,032}=0.25$$ |
| **Earnings per share**Zenith bank made more profit after tax has been distributed to each ordinary share in issue. | $$\frac{41,047,000}{34,199,421}=1.20$$ | $$\frac{165,480,000}{31,396,193,787}=5.27$$ |
| **Price earnings ratio**This shows that zenith bank will take fewer years to recover their shareholders investment. | $$\frac{7.70}{1.20}=6.41$$ | $$\frac{18.65}{5.27}=3.53$$ |
| **Earning yield** This shows that zenith bank has more returns on share holders’ investment | $$\frac{1.20}{7.70}x100=0.15\%$$ | $$\frac{5.27}{18.65}X100=28\%$$ |
| **Net asset per share**This shows that zenith bank had more net assets attributable to each share holder. | $$\frac{364,598}{34,199,421}=0.01$$ | $$\frac{675,032}{31,396}=21.5$$ |
| **Dividend per share**This shows that zenith bank declared higher dividend to share holders. | $$\frac{29.070,000}{34,199,421}=0.85$$ | $$\frac{7,910}{31,396}=2.80$$ |
| **Dividend payout ratio**This shows tat zenith bank has the higher percentage of dividend paid to share holders. | $$\frac{0.85}{1.20}x100\%=0.71$$ | $$\frac{2.80}{5.27}X100=53\%$$ |
| **Dividend yield**This shows thatzenith bank had a higher return on dividends. | $$\frac{0.85}{7.70}x100\%=0.11$$ | $$\frac{2.80}{18.65}X100=15\%$$ |

* **TELECOMMUNICATIONS**

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| Ratios | OMATEK | CHAMZ |
| **Current ratio**OMATEK will settle its liabilities faster than CHAMZ. | $$\frac{766,000,000}{6,903,000,000}=0.11:1$$ | $$\frac{1,755,358,000}{3,560,169,000}=0.5:1$$ |
| **Quick asset ratio** CHAMZ Can get their cash converted quickly because they have a ration close to the ideal ratio.  | $$\frac{766,000,000-620,000,000}{6,903,000,000}=0.02:1$$ | $$\frac{1,755,358,000-247,780,000}{3,560,169,000}=0.42:1$$ |
| **Receivable recollection period**CHAMZ will receive their receivable earlier. | $$\frac{108,000,000}{18,000,000}X365=2190days$$ | $$\frac{1,396,054,000}{3,012,513,000}x365=169days $$ |
| **Payables collection period**CHAMZ will be able to settle their payables earlier than OMATEK. | $$\frac{5,918,000,}{5,000,000}X365=432days$$ | $$\frac{3,132,934,000}{2,226,979,000}= 140days$$ |
| **Inventory turnover period**CHAMZ will sell their inventory earlier. | $$\frac{620,000,000}{5,000,000}X365=45260days$$ | $$\frac{247,780,000}{2,226,979,000}x365= 41days$$ |
| **Receivables turnover**OMATEK will be able to turnover their receivable earlier. | $$\frac{18,000,000}{108,000,000}=0.17times$$ | $$\frac{3,012,513,000}{1,396,054,000}=2.16times$$ |
| **Payables turnover**CHAMZ will turnover better than Portland paints. | $$\frac{5,000,000}{5,918,000,000}=8.4times$$ | $$\frac{3,132,934,000}{2,226,979,000}=1.41times$$ |
| **Inventory turnover**OMATEK will turnover their inventory better than BOC gases. | $$\frac{5,000,000}{620,000,000}=8.06times$$ | $$\frac{2,226,979,000}{247,780,000}= 8.9times$$ |
| **ROCE**CHAMZ is more efficient than OMATEK. | $$\frac{80}{86}=0.93$$ | $$\frac{3,801,480}{1,612,073}=2.36$$ |
| **Gross profit % or gross margin**OMATEK has a higher rate of gross profit. | $$\frac{13,000,000}{18,000,000}x100\%=72.2\%$$ | $$\frac{785,534,000}{3,012,513,000}x100\%=23.4\%$$ |
| **Net Profit Percentage**Chamz has higher net profit for the year. | $$\frac{1,161,000}{18,000,000}x100=8.9\%$$ | $$\frac{380,148,000}{3,012,523,000}x100= 12.6\%$$ |
| (**Expenses percentage)**selling and distributionAdministrative expensesOmatek has a higher expenses percentage | $$\frac{2,000,000}{18,000,000}x100\%=11.1\%$$$$\frac{59,000,000}{18,000,000}x100\%=327\%$$ | $$\frac{1,311,429}{1,311,429}x100=100\%$$ |
| (**Expenses to sale)**selling expensesAdministrative expensesOmatek has a higher perecentage of expenses to sales | $$\frac{2,000,000}{61,000,000}x100\%=3.2$$$$\frac{59,000,000}{61,000,000}x100\%=96.7$$ | $$\frac{1,311,429}{3,012,513,000}x100=0.04$$ |

* **CONSUMER SERVICES SECTOR**

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| **Ratios** | **ABC TRANSPORT** | **CAPITAL HOTELS PLC** |
| **Current ratio**Capital hotel will be able to settle its current liabilities earlier. | $$\frac{1,824,309}{2,249,247}= 0.81:1$$ | $$\frac{5,698,295}{2,680,478}=2.12:1$$ |
| **Quick asset ratio** ABC Transport Can get their cash converted quickly because they have the ideal ratio.  | $$\frac{1,824,309-853,448}{2,249,247}=0.43:1$$ | $$\frac{5,698,295-141,990}{2,630,478}=2.11:1$$ |
| **Receivable recollection period**ABC Transport gases will receive their receivable earlier. | $$\frac{326,642}{1,7012,475}X365=70days$$ | $$\frac{1,620,077}{5,977,436}X365=98.9days$$ |
| **Payables collection period**ABC Transport will be able to settle their payables earlier. | $$\frac{1,369,191}{3,704,1t50}x365=135days$$ | $$\frac{2,378,096}{4,869,732}x365=178.24days$$ |
| **Inventory turnover period**Capital hotel will sell their inventory earlier. | $$\frac{853,448}{3,704,150}x365=84days$$ | $$\frac{141,990}{4,869,732}x365=10.64days$$ |
| **Receivables turnover**Capital hotel will be able to turnover their receivable better than ABC Transport. | $$\frac{1,701,475}{326,642}=5.2times$$ | $$\frac{5,977,436}{1,620,077}=3.7times$$ |
| **Payables turnover**Capital hotel will turnover better than ABC Transport. | $$\frac{3,704,150}{1,369,191}=2.7times$$ | $$\frac{4,869,732}{2,378,096}=2.0times$$ |
| **Inventory turnover**Capital hotel will turnover their inventory better than ABC Transport.. | $$\frac{3,704,150}{853,448}=43.4times$$ | $$\frac{4,869,730}{141,990}=34.3times$$ |
| **ROCE**Capital hotel is more efficient than ABC transport. | $$\frac{86,290}{4,076,917}=0.02$$ | $$\frac{507,781}{7,446,341}=0.07$$ |
| **Gross profit % or gross margin**ABC transport. has a higher rate of gross profit. | $$\frac{1,039,605}{4,743,755}x100\%=21.9\%$$ | $$\frac{1,107,704}{5,977,436}x100=18.5\%$$ |
| **Net Profit Percentage**Capital hotel has a higher net profit percentage. | $$\frac{66,165}{4,743,755}x100\%=1.4\%$$ | $$\frac{379,946}{5,977,436}x100=6.3\%$$ |
| **Price earnings ratio**Capital hotel has a higher earning ratio. | $$\frac{0.41}{7}=0.05$$ | $$\frac{2.75}{0.25}=11$$ |
| **Earning yield**ABC Transport has a higher returns on dividend. | $$\frac{7}{0.41}x100=1707$$ | $$\frac{0.25}{2.75}x100=9$$ |

* **INDUSTRIALS**

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| **Ratios** | **JULIUS BERGER** | **BETA GLASS** |
| **Current ratio**Beta glass will be able to settle its current liabilities because it has the ideal ratio. | $$\frac{15,210,936}{76,158,536}=0.20:1$$ | $$\frac{28,550,830}{13,723,312}=2.08:1$$ |
| **Quick asset ratio** Beta glass Can get their cash converted quickly because they have the ideal ratio.  | $$\frac{15,210,936-13,465,981}{76,158,536}=0.02:1$$ | $$\frac{28,550,830-6,239,740}{13,723.312}=1.62:1$$ |
| **Receivable recollection period**Beta glass will receive their payables earlier. | $$\frac{101,484,353}{194,617,712}X365=190days$$ | $$\frac{13,438,292}{26,321,014}x365=186days$$ |
| **Payables collection period**Julius berger will be able to settle their payables earlier than Beta glass. | $$\frac{4,578,295}{142,609,198}x365=11.7days$$ | $$\frac{11,598,037}{19,940,375}x365=212days$$ |
| **Inventory turnover period**Julius berger will sell their inventory earlier. | $$\frac{13,465,981}{142,609,198}x365=34.5days $$ | $$\frac{6,239,740}{19,940,375}x365=114days$$ |
| **Receivables turnover**Beta glass will be able to turnover their receivable better than Julius berger. | $$\frac{194,617,712}{101,484,353}=1.9times$$ | $$\frac{19,940,375}{11,598,037}=1.72times$$ |
| **Payables turnover**Julius berger will turnover better than Beta glass. | $$\frac{142,609,198}{4,578,295}=31.1times$$ | $$\frac{26,321,014}{13,438,292}=1.95$$ |
| **Inventory turnover**Julius Berger will turnover their inventory better than Beta glass.. | $$\frac{142,609,198}{13,465,981}=10.5times$$ | $$\frac{19,940,375}{6,239,740}=3.19times$$ |
| **ROCE**Beta glass is more efficient than Julius Berger. | $$\frac{12,087,949}{212,273,464}=0.05$$ | $$\frac{5,839,657}{32,356,317}=0.15$$ |
| **Gross profit % or gross margin**Beta glass has a higher rate of gross profit. | $$\frac{52,008,514}{194,617,712}x100=2.7\%$$ | $$\frac{6,380,639}{26,321,014}x100=24.2\%$$ |
| **Net Profit Percentage**Beta glass has a higher net profit for theyear | $$\frac{6,101,814}{194,617,712}x100=3.14\%$$ | $$\frac{5,052,805}{26,321,014}x100=19.1$$ |
| (**Expenses percentage)**selling and distributionAdministrative expensesThey both have approximately the same expense to percentage, percentage for the year | $$\frac{126,806}{34,593,570}x100=0.36\%$$$$\frac{34,466,764}{34,593,570}x100=99.6\%$$ | $$\frac{81,161}{1,326,350}x100=6.1\%$$$$\frac{1,245,189}{1,326,350}x100=93.9\%$$ |
| **(Expenses to sale)**selling expensesAdministrative expensesBeta glass has the higher expense to sale percentage for the year. | $$\frac{126,806}{194,617,712}x100=0.065$$$$\frac{34,466,764}{194,617,712}x100=17.7\%$$ | $$\frac{81,161}{26,321,014}x100=30.8\%$$$$\frac{1,245,189}{26,321,014}x100=4.73\%$$ |
| **Price earnings ratio**Beta glass has the highest price earning ratio. | $$\frac{19}{5.3}=3.6$$ | $$\frac{53.8}{10.11}=5.3$$ |
| **Earning yield**Julius berger has the highest earning yield. | $$\frac{5.3}{19}x100=27.9\%$$ | $$\frac{10.11}{53.8}x100=18.8\%$$ |

* **OIL AND GAS**

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| **Ratios** | **MOBIL** | **OANDO** |
| **Current Ratio** Mobil will be able to settle its current liabilities because they the ideal ratio. | $$\frac{ 34,183,632}{19,327,761}=1.7:1$$ | $$\frac{164,402,215}{227,409,609}=0.7:1$$ |
| **Quick asset ratio** Both will get their cash converted at the same time because they have the ideal ratio.  | $$\frac{32,183,632-17,918,599}{19,327,761}=0.84:1$$ | $$\frac{164,402,215-28,392,500}{227,409,609}=0.6:1$$ |
| **Receivable recollection period**Mobil will receive their receivable earlier. | $$\frac{11,513,890}{164,609,535}x365=26days$$ | $$\frac{84,791,443}{679,4666,339}x365=46days$$ |
| **Payables collection period**Mobil will be able to settle their payables earlier than Oando | $$\frac{8,212,101}{148,015,9176}x365=20.2days$$ | $$\frac{265,417,181}{583,191,386}x365=166.1days$$ |
| **Inventory turnover period**Oando will sell their inventory earlier. | $$\frac{17,918,599}{148,015,916}x365=44.2days$$ | $$\frac{26,514,991}{583,191,386}x365=17days$$ |
| **Receivables turnover**Mobil will be able to turnover their receivable better than Oando. | $$\frac{164,609,535}{11,513,890}=14.3times$$ | $$\frac{679,466,339}{84,791,443}=8.0times$$ |
| **Payables turnover**Mobil will turnover better than Oando | $$\frac{148,015,916}{8,212,101}=18times$$ | $$\frac{583,191,386}{265,417,181}=2.1times$$ |
| **Inventory turnover**Oando will turnover their inventory better than Mobil. | $$\frac{148,015,916}{17,918,599}=8.3times$$ | $$\frac{583,191,386}{26,514,991}=21.9times$$ |
| **ROCE**Oando is more efficient than Mobil. | $$\frac{13,242,367}{51,333,037}=0.26$$ | $$\frac{44,001,612}{8,957,099}=4.9$$ |
| **Gross profit % or gross margin**Oando has a higher rate of gross profit. | $$\frac{16,593,619}{164,609,535}x100\%=10\%$$ | $$\frac{96,273,963}{679,466,339}x100\%=14.1\%$$ |
| **Net Profit Percentage**Mobil has a higher net profit percentage for the year. | $$\frac{9,328,935}{164,609,535}x100\%=5.7\%$$ | $$\frac{28,797,743}{679,466,339}x100\%=4.2\%$$ |
| **(Expenses percentage)**selling and distributionAdministrative expensesThey have the same Expense percentage. | $$\frac{6,924,989}{11,949,623}x100\%=58\%$$$$\frac{5,024,634}{11,949,623}x100\%=42\%$$ | $$\frac{70,467,124}{70,467,124}x100\%=100\%$$ |
| (**Expenses to sale)**selling expensesAdministrative expensesOando has the higher Expense to sale percentage. | $$\frac{6,9924,989}{164,609,535}x100\%=4.21\%$$$$\frac{5,024,634}{164,609,535}x100\%=3.05\%$$ | $$\frac{70,467,124}{679,466,339}x100\%=10.3\%$$ |
| **Price earnings ratio**Mobil has the higher price earnings ratio. | $$\frac{147.9}{2,587}=0.05times$$ | $$\frac{3.89}{197}=0.01times$$ |
| **Earning yield**Oando has the highet earning yield. | $$\frac{2,587}{147.9}x100\%=1,749$$ | $$\frac{197}{3.89}x100=5,064$$ |