OLAWUYI MUQUTADIR OREDOLAPO

17/SMS02/049

TITLE: ACCOUNTING RATIOS

ZENITH BANK

ECO BANK

B.O.C . GASES NIGERIA

PORTLAND PAINTS & PRODUCTS

BETA GLASS PLC

JULIUS BERGER NIGERIA

MOBIL OIL

CONOIL

MTN NIGERIA

OMATEK VENTURES PLC

CAPITAL HOTELS PLC

ABC TRANSPORTS PLC

FIDSON HEALTH CARE PLC

NESTLE NIGERIA PLC

PHARMA DECO

ZENITH BANK RATIO ANALYSIS FOR THE YEAR 2018

1 Short term Solvency and Liquidity Ratio

 N’000

* Current Ratio; Current Asset

 Current Liability

 =N4,955,445

 N4,280,413

 =1.16:1

* Quick Assets or Acid Test Ratio;

 =Current Asset- Inventory Current Liability

(

4,955,445

-

0)

 N4,280,413

 = 1.16:1

1. Efficiency and profitability Ratio
	* Return On Capital Employed;

 =Profit \*100%

 Capital Employed

 =165,480

 675,032 x 100%

 N25%

* + Expense Percentage;

 =Individual Expenses x 100

 Total Expense

 =124,156/ 364,141 x 100% = 34%

1. Investor’s or Shareholders Ratio
	* Earnings Per share;

 = Profit After Tax- Preference Dividend

 No. Of Ordinary Shares Issued

 =N165,480/31,396 x 100%

 =527kobo

* + Price Earnings Ratio;

 =Market Price Per Share

 Earnings Per Share

 18.65/5.27

 =4years

* + Earnings Yield;

 = Earnings Per Share x 100

 Market Price Per Share

 5.27/18.65 x 100%

 =28%

* + Net Asset Per Share;

 = Net Assets- Preference Share Capital

 No. Of Ordinary Shares

 =N4,955,445

 31,396

 =158

* + Dividend Per Share;

 =Gross Dividend

 No. Of Ordinary Shares

 = N15,698/31,396

 =0.5

* + Dividend Payout Ratio;

 = Dividend Per Share X 100

 Earnings Per share

 =N50x 100

 N527 =9%

* + Dividend Yield;

 = Dividend Per Share X 100

 Market Price Per share

 = N0.5x100

 18.65

 =3%

* + Dividend Cover;

 = EPS

 DPS

 =11 TIMES

1. Long Term Solvency And Stability Ratio

* + Gearing;

 = Debt

 Equity

 =N4,280,413

 675,032,000

 =0,06

* + Total Debt to Shareholders Funds;

 = Non-Current Liability + Current Liability

 Equity/ Shareholders Fund

 =N17,560,262+N19,327,761

 33,772,775

 =N4,280,413

 675,032,000

 =N0.06

ECO BANK RATIO ANALYSIS FOR THE YEAR 2018

1 Short term Solvency and Liquidity Ratio

 N’000

* Current Ratio; Current Asset

 Current Liability

 =N8,191,180,711

 N7,520,990,240

 =1.81

* Quick Assets or Acid Test Ratio;

 =Current Asset- Inventory Current Liability

 =8,191,180,711-2,797,417

 N7,520,990,240

 = 1,08

1. Efficiency and profitability Ratio
	* Return On Capital Employed;

 =Profit

 Capital Employed

 =218,360,082

 (22,492,121-20,651,849)

 =218,360,082/1,840,272 =N1.18

1. Investor’s Or Shareholders Ratio
	* Earnings Per share;

 = Profit After Tax- Preference Dividend

 No. Of Ordinary Shares Issued

 =N9,328,935,000

 N360,595,261 A =N25.87

* + Price Earnings Ratio;

 =Market Price Per Share Earnings Per Share

 =7.05

 1.06

 =7

* + Earnings Yield;

 = Earnings Per Share

 Market Price Per Share

 = 1.06

 7.05

 =0.15%

* + Net Asset Per Share;

 = Net Assets- Preference Share Capital

 No. Of Ordinary Shares

 = N(22,582,196

 2,113,957

 =10

* + Dividend Per Share;

 =Gross Dividend

 No. Of Ordinary Shares =61.5k

* + Dividend Payout Ratio;

 = Dividend Per Share X 100

 Earnings Per share

 =N61.5x 100

 N1.06 =58%

* + Dividend Yield;

 = Dividend Per Share X 100

 Market Price Per share

 = N61.5/7.05\*100%

 =8%

* + Dividend Cover;

 = EPS/DPS

 1.06/61.5

 =0.2 TIMES

1. Long Term Solvency And Stability Ratio

* + Gearing;

 = Debt

 Equity

 =N702,404

 1,528,410

 =0.28

* + Fixed Interest Cover;

 =Profit Before Interest And Tax

 Fixed Interest

 435,977/1,528,410

 =0.28

* + Total Debt to Shareholders Funds;

 = Non-Current Liability + Current Liability

 Equity/ Shareholders Fund

 =N275,539+N20,651,849

 1,812,491

 =N11.5

(BASIC MATERIALS)

B.O.C GASES RATIO ANALYSIS FOR YEAR 2018

1 Short term Solvency and Liquidity Ratio

* Current Ratio; Current Asset

 Current Liability

 =2,119,056

 1,298,954

 =1.63

* Quick Assets or Acid Test Ratio;

 Current Asset- Inventory Current Liability

 = 2,119,056-156,404

 1,298,954

 = 1.51

* Receivables Collection Period

 Average Trade Receivables x 365days

 Credit Sales

 =425,776 x 365 days

 2,869,713

 =54 Days

* Payables Payment period

 = Average Trade Payables x 365days

 Credit Purchases

 =1,026,198 x 365 days

 1,425,662

 =263 Days

* Inventory Turnover Period

 = Average Inventory x 365 days

 Cost of Sales

 =156,404 x 365 days

 1,425,662

 =40 Days

* Receivables Turnover Period

 = Credit Sales

 Average Trade Receivables

 =2,869,713

 425,776

 = 6.74 Times

* Payables Turnover Period

 = Credit Purchases

 Average Trade Payables

 =1,425,662

 1,026,198

 =1.39 Times

* Inventory Turnover

 = Cost Of Sales

 Average Inventory

 =1,425,662

 156,404

 = 9.12 Times

1. Efficiency and profitability Ratio
	* + Return On Capital Employed;

 =Profit

 Capital Employed

 =558,569

 (4,491,256-1,298,954)

 =558,569

 3,192,302

 =0.17

* + - Gross Profit Margin;

 =Gross Profit x 100

 Sales

 =1,444,051 x 100

 2,869,713

 =50%

* + - Net Profit Percentage;

 =Net Profit x 100

 Sales

 =357,604 x 100

 2,869,713

 =13%

* + - Expense Percentage;

 =Individual Expenses x 100

 Total Expense

 =357,604 x 100

 2,869,713

 =13%

* + - Expense To Sales Percentage;

 =Individual Expenses x 100

 Sales

 =357,604 x 100

 2,869,713

 =13%

1. Investors Or Shareholders Ratio
	* + Earnings Per share;

 = Profit After Tax- Preference Dividend

 No. Of Ordinary Shares Issued

 =357,604,000

 416,244,706

 =0.86

* + - Price Earnings Ratio;

 =Market Price Per Share

 Earnings Per Share

 =3.79

 0.86 =4.41

* + - Earnings Yield;

 = Earnings Per Share Market Price Per Share

 = 0.86

 3.79

 =0.23

* + - Net Asset Per Share;

 = Net Assets- Preference Share Capital

 No. Of Ordinary Shares

 = N2,662,537

 416,244,706

 =N6.4

* + - Dividend Per Share;

 =Gross Dividend

 No. Of Ordinary Shares

 = N83,249,000

 416,244,706

 = N0.20

* + - Dividend Payout Ratio;

 = Dividend Per Share

 Earnings Per share

 =N0.20 x 100

 N0.86 =N23

* + - Dividend Yield;

 = Dividend Per Share

 Market Price Per share

 =N0.20 x 100

 N3.79

 =N 5.3

* + - Dividend Cover;

 = Profit After Tax- Preference Dividend

 Gross Dividend

 =N 357,604

 N83,249

 =N 4.30

1. Long Term Solvency And Stability Ratio

 Total Debt to Shareholders Funds;

 = Non-Current Liability + Current Liability

 Equity/ Shareholders Fund

 =529,796+1,298,954

 2,662,537

 =0.69

# Portland and paints (2018)

1. Short term solvency and liquidity ratios

1. Current ratios

=current assets current liabilities

=1,718,570

 700,439 =2.45

1. Quick asset

=current assets –inventory current liabilities

= 1,718,570-728,047

 700,439 =1.41

1. Receivables collection period

=trade receivables\*365 days credit sales

 =476,180\*365

 2,829,262 =61.4

|  |  |
| --- | --- |
| D. Payable payment period = trade payables\*365days credit purchases  =501,988\*365  |  |
|  1,753,972 E. Inventory turnover period = average inventory\*365days  cost of sales =728,047\*365  | =104 days  |
|  1,753,972 F. Receivables turnover = credit sales receivables = 2,829,262  | =156 days  |
|  476,180 G. payables turnover = credit purchases payables = 1,753,972  | =6.0  |
|  501,988  | =3.49  |

H. Inventory turnover

= cost of sales average inventory

= 1,753,972

 728,047 =2.40

2. Efficiency /profitability ratio

1. Returns on capital employed

=profit after tax equity (shareholders fund)

 =100,840

 1,536,981 =0.065

1. Gross profit margin

= gross profit\*100%

 sales

= 1,075,290\*100%

 2,829,262 =38,006

1. Net profit margin

= net profit\*100 sales

= 306,635\*100

 2,829,262 =10.83

3. Investor/shareholders ratio

1. Earnings per share (given)

1. Price earning ratio

= market price per share earnings per share

= 26

 26 =1

C. Earnings yield

= eps mps

= 26

 26 =1

1. Net assets per share =net assets- preference shares no of ordinary share in issue = 2,251,468-0

 396,708 =5.67

1. Dividend per share

=gross dividend no of ordinary shares

= 0

 396,708 =

1. Dividend payout ratio

= dividend per share\*100 earnings per share

 = 0\*100

 26 =

G. Dividend yield

= dps\*100 mps

= 0\*100

 26 =

H. Dividend cover

= profit after tax- preference dividend gross dividend

 = 206,693-0

 0 =

4. Long term solvency and stability ratio

1. Gearing ratio

=debt

Total capital

= 0

1. Total debt to shareholders fund = non current liabilities + current liabilities equity

 =14,048+700,439

 1,536,981 =0.464

[INDUSTRIAL SERVICES]

**Ratio Analysis BETA GLASS PLC**

Short term/liquidity ratios

* Current ratio=Current Assets/Current liabilities 28,550,830/13,723,312

 =2.08:1

* Acid test ratio=current assets- inventory/current liabilities 28,550,830─6,239,740

. 1,359,513

 =16.4:1

* Receivable collection period= average trade receivables/credit sales×365 days

 13,438,292/26,321,014×365days

 =0.51days

* Payables payment period=Average trade payables/cost of sales × 365 days

 11,598,037/19,940,375×365 days

 =0.58days

* Inventory turnover period= average inventory/cost of sales×365 days

 6,239,740/19,940,375×365days

 =0.31days

* Receivable turnover =credit sales/average receivables

 26,321,014/13,438,292

 =1.9 times

* Payables turnover=cost of sales/ average payables . . 19,940,375/11,598,037 =1.7 times
* Inventory turnover =cost of sales/average inventory . . 19,940,375/6,239,740

 =3.1 times

Efficiency/profitability ratios

* ROCE= PBIT/capital employed×100%
* Capital employed=total asset-current liabilities 7,188,181/32356317×100% =0.22%

46,079,629─13,723,312

=32356317

* Gross profit margin= gross profit/sales×100% 6,380,639/19,940,375×100% =0.3%
* Net profit margin=net profit/sales×100% 5,052,805/19,940,375×100%

=0.25%

* Expense percentage= individual expense/total expense ×100%

 1,245,189/5,893,657×100%

 =0.25%

* Income tax expense 839,368/5,893,657×100%

 =0.14%

* Expense to sale=individual expense/ sale × 100%
* selling and distribution expenses

* Impairment loss 839,368/26,321,014×100%

=0.03%

81,161/19,940,375×100%

=0.4%

1,245,189/26,321,041×100%

=0.19%

135,430/26,321,041×100%

=0.05%

* Finance cost 243,233/19,940,375×100%

=0.5%

* Income tax expense 2,135,376/19,940,375×100%

=2.4%

Investors /Shareholder Ratios

* EPS=PAT- Preference dividend/ No of ordinary shares×100%

=10.11kobo

* Price earnings ratio=MPS/EPS 53.8/10.11

=5 years

* Earnings yield =EPS/MPS×100% 10.11/53.8

=0.18%

* Net asset per share=net asset-preference share/No of ordinary share

 46,079,629─312,847/499,972

=₦91

* Dividend per share =gross dividend /No of ordinary share

=1.07kobo

* Dividend payout ratio=DPS/EPS×100% 1.07/10.11×100%

=0.10%

* Dividend yield=DPS/MPS×100% 1.07/53.8×100%

=0.01%

* Dividend covered=EPS/DPS 10.11/1.07=9.4 times

Long Term Solvency Ratios

* Gearing Ratio=debt/ equity

* Fixed interest cover=profit before interest& tax/fixed interest 3,389/29,627,573 =1.14

7,188,181/1,405,030

=5.11

* Total debt to shareholder fund= noncurrent liabilities +current liabilities/equity

 2,728,744+13,723,312/

29,627,573.

RATIO ANALYSIS FOR INDUSTRIALS.

JULIUS BERGER FOR THE YEAR 2018

1 Short term Solvency and Liquidity Ratio

 N’000

* Current Ratio; Current Asset

 Current Liability

 =N125,039,446

* 1. 73,196,234

 =1.71

* Quick Assets or Acid Test Ratio;

 =Current Asset- Inventory

 Current Liability

 =N125,039,446- 11,304,295

* 1. 73,196,234

 = 1.55

* Receivables Collection Period;

 Average Trade Receivables x 365days

 Credit Sales

 =N65,128,223x 365 days

 N170,326,746

 =140 Days

* Payables Payment period

 = Average Trade Payables x 365days

 Credit Purchases

 =N8,471,491 x 365 days

 N142,609,198 =22Days

* Inventory Turnover Period

 = Average Inventory

 Cost Of Sales

 =N11,304,296 x 365

 N132,254,711

 =31Days

* Receivables Turnover Period

 = Credit Sales

 Average Trade Receivables

 =N170,326,746

 N65,128,223 = 2.6Times

* Payables Turnover Period

 = Credit Purchases

 Average Trade Payables

 =N142,609,198

 N8,471,491 = 16.8Times

* Inventory Turnover

 = Cost Of Sales

 Average Inventory

 =N132,254,711

 N11,304,296

 =11.7Times

1. Efficiency and profitability Ratio
	* Return On Capital Employed;

 =Profit

 Capital Employed

 =N6,630,667

 N(268,060,387-73,196,234)

 =N6,630,667

 N1,94,864,153 =0.03

* + Gross Profit Margin;

 =Gross Profit x 100

 Sales

 =N38,072,035x 100

 N170,326,746 =22%

* + Net Profit Percentage;

 =Net Profit x 100

 Sales

 =N4,788,213x 100

 N170,326,746 =3%

* + Expense Percentage;

 =Individual Expenses x 100

 Total Expense

 =x 100

 =%

* + Expense To Sales Percentage;

=Individual Expenses x 100

 Sales

 = x 100

 =%

1. Investor’s Or Shareholders Ratio
	* Earnings Per share;

 = Profit After Tax- Preference Dividend

 No. Of Ordinary Shares Issued

 =N4,788,213

 1,320,000

 =3.63

* + Price Earnings Ratio;

 =Market Price Per Share Earnings Per Share

 =20.1

 3.63

 =5.54

* + Earnings Yield;

 = Earnings Per Share

 Market Price Per Share

 = 3.63

 N20.1 =0.18

* + Net Asset Per Share;

 = Net Assets- Preference Share Capital

 No. Of Ordinary Shares

 = N16,710,922

 1,320,000

 =N13

* + Dividend Per Share;

 =Gross Dividend

 No. Of Ordinary Shares

 = N2,640,000

 1,322,000

 = N2.0

* + Dividend Payout Ratio;

 = Dividend Per Share X 100

 Earnings Per share

 =N2.0 x 100

 N3.6

 =N56

* + Dividend Yield;

 = Dividend Per Share X 100

 Market Price Per share

 = N2 x100

 N20.1 =N10

* + Dividend Cover;

 = Profit After Tax- Preference Dividend

 Gross Dividend

 = N4,788,213

 N2,640,000 N

 =N1.8

1. Long Term Solvency and Stability Ratio

* + Gearing;

 = Debt

 Equity

 =1,517,513

 16,710,922

 0.09

* + Fixed Interest Cover;

 =Profit Before Interest and Tax

 Fixed Interest

* + Total Debt to Shareholders Funds;

 = Non-Current Liability + Current Liability

 Equity/ Shareholders Fund

 =N

178,153,231+

N

73,196,234

 2,662,537

 =N251,349,465

 16,710,922

 =N15 MOBIL OIL RATIO ANALYSIS FOR THE YEAR 2018

1 Short term Solvency and Liquidity Ratio

 N’000

* Current Ratio; Current Asset

 Current Liability

 =N34,183,632

 N19,327,761

 =1.77

* Quick Assets or Acid Test Ratio;

 =Current Asset- Inventory

 Current Liability

 =N (34,183,632-17,918,599)

 N19,327,761

 = 0.84

* Receivables Collection Period;

 Average Trade Receivables x 365days

 Credit Sales

 =N11,513,890x 365 days

 N164,609,535

 =26 Days

* Payables Payment period

 = Average Trade Payables x 365days

 Credit Purchases

 =N8,212,101x 365 days

 N148,015,916

 =22 Days

* Inventory Turnover Period

 = Average Inventory

 Cost of Sales

 =N17,918,599x 365 days

 N148,015,916 =44Days

* Receivables Turnover Period

 = Credit Sales

 Average Trade Receivables

 =N164,609,535

 N11,513,890 = 14Times

* Payables Turnover Period

 = Credit Purchases

 Average Trade Payables

 =N148,015,916

 N8,212,101 =18 Times

* Inventory Turnover

 = Cost of Sales

 Average Inventory

 =N148,015,916

 N17,918,599

 =8Times

2. Efficiency and profitability Ratio

* Return On Capital Employed;

 =Profit

 Capital Employed

 =N13,695,459

 N (70,660,798-19,327,761)

 = N13,695,459

 N51,33,037

 =N0.27

* Gross Profit Margin;

 =Gross Profit x 100

 Sales

 =N16,583,619x 100

 N164,609,535 =10.08%

* Net Profit Percentage;

 =Net Profit x 100

 Sales

 =N9,328,936x 100

 N164,609,535

 =5.67%

Expense Percentage;

 =Individual Expenses x 100

 Total Expense

 =N6,924,689

 N11,977,991

 =57.8%

 Expense to Sales Percentage;

 =Individual Expenses x 100

 Sales

 = N6,924,689 x 100

 N164,609,535

 =N4.2%

1. Investor’s or Shareholders Ratio
	* Earnings Per share;

 = Profit After Tax- Preference Dividend

 No. Of Ordinary Shares Issued

 =N9,328,935,000

 N360,595,261

 =N25.87

* + Price Earnings Ratio;

 =Market Price Per Share Earnings Per Share

 =N147.9

 N25.87

 =N5.7

* + Earnings Yield;

 = Earnings Per Share

 Market Price Per Share

 = N25.87

 N147.9 =0.17

* + Net Asset Per Share;

 = Net Assets- Preference Share Capital

 No. Of Ordinary Shares

 = N (70,660,798-36,888,023)

 360,595

 =N33,772,775

 360,595

 =93.6

* + Dividend Per Share;

 =Gross Dividend

 No. Of Ordinary Shares

 = N2,974,910,903

 360,595,261

 =N8.25

* + Dividend Payout Ratio;

 = Dividend Per Share X 100

 Earnings Per share

 =N8.25x 100

 N25.87

 =31.9%

* + Dividend Yield;

 = Dividend Per Share X 100

 Market Price Per share

 = N8.25x100

 N147.9

 =5.6%

* + Dividend Cover;

 = Profit After Tax- Preference Dividend

 Gross Dividend

 = N9,328,935,000

 N2,974,910,903

 =3.14

1. Long Term Solvency and Stability Ratio

* + Gearing;

 = Debt

 Equity

 =N17,560,262

 33,772,775

 =0.52

* + Fixed Interest Cover;

 =Profit Before Interest and Tax

 Fixed Interest

Total Debt to Shareholders Funds;

 = Non-Current Liability + Current Liability

 Equity/ Shareholders Fund

 =N17,560,262+N19,327,761

 33,772,775

 =N36,888,023

 33,772,775

 =N1.09

**(CONOIL RATIO ANALYSIS FOR THE YEAR 2018)**

1 Short term Solvency and Liquidity Ratio

 N’000

* Current Ratio; Current Asset

 Current Liability

 =N54,908,451

 N41,641,699

 =1.32

* Quick Assets or Acid Test Ratio;

 =Current Asset- Inventory

 Current Liability

 = N(54,908,451-9,141,599)

 N41,641,699

 = 1.09

* Receivables Collection Period;

 Average Trade Receivables x 365days

 Credit Sales

 =N30,295,096x 365 days

 N122,213,014

 =91 Days

* Payables Payment period

 = Average Trade Payables x 365days

 Credit Purchases

 =N35,065,872x 365 days

 N109,422,111 =117 Days

* Inventory Turnover Period

 = Average Inventory

 Cost Of Sales

 =N9,141,599x 365 days

 N109,422,111 =31Days

* Receivables Turnover Period

 = Credit Sales

 Average Trade Receivables

 =N122,213,014

 N30,295,096 = 0.4 Times

* Payables Turnover Period

 = Credit Purchases

 Average Trade Payables

 =N109,422,111

 N35,065,872 =3 Times

* Inventory Turnover

 = Cost of Sales

 Average Inventory

 = N109,422,111

 N9,141,599

 =12Times

2. Efficiency and profitability Ratio

* Return On Capital Employed;

 =Profit

 Capital Employed

 =N2,566,765

 N(60,897,246-41,641,699)

 = N2,566,7659

 N19,435,547 =N0.13

* Gross Profit Margin;

 =Gross Profit x 100

 Sales

 =N2,770,902 x 100

 N122,213,014

 =10.45%

Net Profit Percentage; =Net Profit x 100

 Sales

 =N1,796,042x 100

 N122,213,014 =51.5%

* Expense Percentage;

 =Individual Expenses x 100

 Total Expense

 =N2,571,250

 N8,809,784

 =29.2%

* Expense to Sales Percentage;

 =Individual Expenses x 100

 Sales

 = N2,571,250x 100

 N122,213,014

 =N2.1%

1. Investor’s Or Shareholders Ratio
	* Earnings Per share;

 = Profit After Tax- Preference Dividend

 No. Of Ordinary Shares Issued

 =N11,796,042

 N693,951,717

 =N2.59

* + Price Earnings Ratio;

 =Market Price Per Share Earnings Per Share

 =N18.5

 N2.59

 =N7.14

* + Earnings Yield;

 = Earnings Per Share

 Market Price Per Share

 = N2.59

 N18.5

 =0.14

* + Net Asset Per Share;

 = Net Assets- Preference Share Capital

 No. Of Ordinary Shares

 = N(60,897,246,000-42,596,172,000)

 693,951,717

 =N18,301,074,000

 693,951,717

 =26.4

* + Dividend Per Share;

 =Gross Dividend

 No. Of Ordinary Shares

 = N1,387,904,234

 693,951,717

 =N2.0

* + Dividend Payout Ratio;

 = Dividend Per Share X 100

 Earnings Per share

 =N2.0x 100

 N2.59

 =77.2%

* + Dividend Yield;

 = Dividend Per Share X 100

 Market Price Per share

 = N2.0x100

 N18.5

 =10.8%

* + Dividend Cover;

 = Profit After Tax- Preference Dividend

 Gross Dividend

 = N1,796,042,000

 N1,387,904,234

 =1.29

1. Long Term Solvency And Stability Ratio

* + Gearing;

 = Debt

 Equity

 =N954,473

 N18,301,074

 =0.05

* + Fixed Interest Cover;

 =Profit Before Interest And Tax

 Fixed Interest =N2,566,765

 N1,508,064 = NS1.7

* + Total Debt to Shareholders Funds;

 = Non-Current Liability + Current Liability

 Equity/ Shareholders Fund

 =N9,543,473+N41,641,699

 N18,301,074

 =N51,185,172

 N18,301,074

 =N2.80

 TELECOMMUNICATIONS

# a. RATIO ANALYSIS FOR MTN (2018)

1. Short term solvency and liquidity ratios

1. Current ratios

=current assets current liabilities

=58,038,000

 72,570,000

 =0.8

1. Quick asset

=current assets –inventory current liabilities

= 58,038-2,995

 72,570

 =0.75

1. Receivables collection period

=trade receivables\*365 days credit sales

= 26,669\*365

 134,560

 =75DAYS

1. Payable payment period

= trade payables\*365days credit purchases

=48,354\*365

 23,576

 =696 days

1. Inventory turnover period

= average inventory\*365days

 cost of sales

= 2,995\*365

 23,576 =

1. Receivables turnover

= credit sales receivables = 134,560

 26,669

 =5 times

1. payables turnover

= credit purchases payables

=23,576

 48,354

 =1 time

1. Inventory turnover

= cost of sales average inventory =23,576

 2,995

 =8 times

2. Efficiency /profitability ratio

1. Returns on capital employed

=profit after tax equity (shareholders fund) =9,578

 88,226

 =0.10%

1. Gross profit margin

= gross profit\*100%

 sales

= 0\*100

 134,560

 =0

1. Net profit margin

= net profit\*100 sales

=0\*100

 134,560

 =0

3. Investor/shareholders ratio

1. Earnings per share (given)
2. Price earning ratio

= market price per share

 earnings per share

=478

 485 =0.9856

C. Earnings yield

= eps mps

= 485

 478 =1.0146

1. Net assets per share =net assets- preference shares no of ordinary share in issue = 58,038-0

 1,884,269,758

 =0,30

1. Dividend per share

=gross dividend no of ordinary shares

= 0

 1,884,269,758

1. Dividend payout ratio

= dividend per share\*100

 earnings per share

= 325\*100

 485

=67.01

1. Dividend Yield

= DPS\*100

 MPS

= 325\*100

 478

=67.99

1. Dividend cover = profit after tax- preference dividend gross dividend

=9,578-0

 0 =

4. Long term solvency and stability ratio

1. Gearing ratio

=debt

Total capital

=0

1. Total debt to Shareholders fund = Noncurrent liabilities + current liabilities

 equity

=83,811+72,570

 88,226 =1.77

**b. OMATEK VENTURES PLC (2018)**

1. Short term solvency and liquidity ratios

1. Current ratios

=current assets current liabilities

= 3,487

 4,425 =0.7880

1. Quick asset

=current assets –inventory current liabilities

= 3,487-0

 4,425 =0.7880

1. Receivables collection period

=trade receivables\*365 days

 credit sales

 = 3,487\*365

|  |  |
| --- | --- |
|  80,000 D. Payable payment period = trade payables\*365days credit purchases  =4,357\*365  | =15days  |
|  0 E. Inventory turnover period = average inventory\*365days  cost of sales =0\*365  | =  |  |
|  0 F. Receivables turnover = credit sales receivables = 80,000  |   | =  |
|  3,487 G. payables turnover = credit purchases payables = 0  |   | =23  |
|  4,357 H. Inventory turnover  |   | =  |

= cost of sales average inventory

= 0

 0 =0

2. Efficiency /profitability ratio

A. Returns on capital employed

=Profit after tax equity (shareholders fund)

= 1,045

|  |  |
| --- | --- |
|  3,046 B. Gross profit margin = gross profit\*100%  sales =80\*100%  |  =0.34  |
|  80,000 C. Net profit margin = net profit\*100 sales = 1,042\*100  |   | =0.1  |
|  80,000  3. Investor/shareholders ratio 1. Earnings per share (given)
2. Price earning ratio

= market price per share earnings per share = 0.39  | =1,3025  |  |
|  0.39 C. Earnings yield = eps mps = 0.39  | =1  |  |  |
|  0.39 D. Net assets per share =net assets- preference shares no of ordinary share in issue = 5,288-0  | =1  |  |  |
|  1,471 E. Dividend per share =gross dividend no of ordinary shares =0  |   | =3.6  |  |
|  1,471 F. Dividend payout ratio = dividend per share\*100 earnings per share  = 0\*100  |   | =  |  |
|  0.39  | =  |  |  |

1. Dividend yield

= dps\*100

 mps

=0\*100

 0.39 =

1. Dividend cover = profit after tax- preference dividend gross dividend

= 1,045-0

 0 =

4. Long term solvency and stability ratio

1. Gearing ratio

=debt

 total capital

 = 1,801

 5,288 =0.34

1. Total debt to shareholders fund

= Non Current liabilities + current liabilities

 equity

=1,801+4,425

 3,046 =2.04

[CONSUMER SERVICES]

# CAPITAL HOTELS PLC (2018)

1. Short term solvency and liquidity ratios

1. Current ratios

=current assets current liabilities

=5,698,295

 2,630,478 =2.16

1. Quick asset

=current assets –inventory current liabilities

= 5,698,295-141,990

 2,630,478 =2.11

1. Receivables collection period

=trade receivables\*365 days

 credit sales

= 1,620,077\*365

 5,977,436 =98 days

1. Payable payment period

= trade payables\*365days credit purchases

|  |  |
| --- | --- |
| = 2,378,096\*365  |  |
|  4,869,732 E. Inventory turnover period = average inventory\*365days  cost of sales = 141,990\*365  | =178 days  |
|  4,869,732 F. Receivables turnover = credit sales receivables =5,977,436  | =10.64  |
|  1,620,077 G. payables turnover = credit purchases payables =4,869,732  | =3.68  |
|  2,378,096 H. Inventory turnover = cost of sales average inventory = 4,869,732  |  =2.04  |
|  141,990  | =34.3  |
| 2. Efficiency /profitability ratio 1. Returns on capital employed

=profit after tax  equity (shareholders fund) = 379,946  6,416,983 =0.059 1. Gross profit margin

= gross profit\*100% sales  = 1,107,704\*100%  5,977,436 =18.5 1. Net profit margin

= net profit\*100 sales = 437,010\*100  5,977,436 =7.3  |

3. Investor/shareholders ratio

1. Earnings per share (given)
2. Price earning ratio

= market price per share earnings per share

= 0.25

 0.25 =1

1. Earnings yield = eps

 mps = 0.25

 0.25 =1

1. Net assets per share =net assets- preference shares no of ordinary share in issue = 10,076,819-0

 0 =

E. Dividend per share

=gross dividend no of ordinary shares

= 0

 0 =

1. Dividend payout ratio

= dividend per share\*100 earnings per share

= 0\*100

 0.25 =

1. Dividend yield

= dps\*100 mps

= 0\*100

 0.25 =

1. Dividend cover = profit after tax- preference dividend gross dividend

= 379,946-0

 0 =

4. Long term solvency and stability ratio

1. Gearing ratio

=debt

Total capital

=0

1. Total debt to shareholders fund = non current liabilities + current liabilities

 equity

= 4,378,524+2,630,478

 6,416,983 =1.09

B.

#  ABC TANSPORT PLC (2018)

1. Short term solvency and liquidity ratios

1. Current ratios

= current assets current liabilities

 = 751,579

 1,392,283 =0.53

1. Quick asset

=current assets –inventory current liabilities

= 751,579-224,394

 1392,283, =0.37

1. Receivables collection period

=trade receivables\*365 days credit sales

=279,637\*365

 4,083,653 =31days

1. Payable payment period

= trade payables\*365days credit purchases

=678,920\*365

 3,314,542 =74days

1. Inventory turnover period

= average inventory\*365days

 cost of sales

= 224,394\*365

 3,314,542 =24.7

1. Receivables turnover

= credit sales receivables

=4,083,653

 279,637 =14.6

1. payables turnover

= credit purchases payables

=3,314,542

 678,920 =4.88

1. Inventory turnover

= cost of sales average inventory

=3,314,542

 224,394 =14.77

2. Efficiency /profitability ratio

1. Returns on capital employed

=profit after tax equity (shareholders fund) =175,523

 1,564,582 =0.11

1. Gross profit margin

= gross profit\*100%

 sales

=769,112\*100%

 4,083,653 =18.8

1. Net profit margin

= net profit\*100 sales

=175,523\*100

 4,083,653 =4.29

3. Investor/shareholders ratio

1. Earnings per share (given)
2. Price earning ratio

= market price per share

 earnings per share

=11

 11 =1

C. Earnings yield

= eps mps

=11

 11 =1

Net assets per share

=net assets- preference shares

 no of ordinary share in issue

=3,330,473-0

 0 =

D. Dividend per share

=gross dividend no of ordinary shares =0

 0 =0

E. Dividend payout ratio

= dividend per share\*100

 earnings per share

=0\*100

 11 =

F. Dividend yield

= dps\*100 mps

= 0\*100

 11 =

G. Dividend cover = profit after tax- preference dividend gross dividend

=32,453-0

 0 =

12 Long term solvency and stability ratio

1. Gearing ratio

=debt

 total capital

=0

1. Total debt to shareholders fund = non current liabilities + current liabilities equity

= 380,075+2,249,247

|  |  |
| --- | --- |
|  1,558,307          | =1.68  |
| **Short Term Solvency Ratio** **Fidson Health Care PLC**   |  |
| 1. Current Ratio= current assets /current liabilities   | = 7,575,483/10,535,885 = 0.72:1  |
| 2. ACID test ratio= Current Assets- Inventory/Current liabilities       | = (7,575,483-2,875,133)/10,535,885 = 0.45:1  |
| 3.Receivables Collection Period= (Average Trade Receivables/credit sales)\*365   | Trade receivables= (3,803,982+2,502,642)/2 =(3,153,312/16,229,903)\*365 = 71 days  |
| 4. Payables Payment period= (Average trade payables/credit purchases)\*365  |   |
| 5. Inventory Turnover Period=  | Average inventory= (2,875,133+1,756,629)/2  |

(average inventory/cost of sales)\*365 =(2,315,881/9,910,219)\*365

|  |  |
| --- | --- |
|   | =85 days  |
| 6. Receivable Turnover= Credit sales/average receivables  | Average Trade receivables= (3,803,982+2,502,642)/2 =16,229,903/3,153,312 = 5.15  |
| 7. Payables Turnover= Credit Purchases/average payables  |   |
| 8. Inventory Turnover= Cost of  | =(2,875,133+1,756,629)/2  |
| Sales/Average Inventory  | =9,910,219/2,315,881 =4.3  |
| **Efficiency and profitability ratio**         |   |
| 1. Return on Capital Employed= Profit before income tax/Capital employed  Capital Employed= Total assetscurrent liabilities   | Capital employed=(20,483,325-10,535,885) = 160,867/9,947,440 = 0.02  |
| 2. Gross Profit Margin= (Gross Profit/sales)\*100%       | =(6,319,684/16,229,903)\*100% =38.9%  |
| 3. Net Profit Margin= (Net Profit/sales)\*100%   | = (-97,447/16,229,903)\*100% = -0.6%  |
| 4. Expense Percentage= (Individual expense/total expense)\*100%     | For Admin Expenses= (2,614,354/6,703,000)\*100 = 16.1% For Selling and distribution expenses= (1,905,330/6,703,000)\*100% =28.4% For finance costs= (1,925,002/6,703,000)\*100% =28.7% For income tax= (258,314/6,703,000)\*100% =3.9%  |
| 5. Expense to Sales= (individual expense/sales)\*100%  | For Admin expenses= (2,614,354/16,229,903)\*100% =16.1% For Selling and distribution expenses= (1,905,330/16,229,903)\*100% =11.7% For Finance costs= (1,925,002/16,229,903)\*100% =11.9% For income tax= (258,314/16,229,903)\*100% =1.6%  |
| **Investors/Shareholder’s Ratio**  |   |

1.Earnings per Share= (Profit after = (0.06) Tax- Preference Dividend)/ Number of Ordinary Shares Issued

1. The Price Earnings ratio= Market = (3.5/-0.06)

Price Per Share/Earnings Per share = -58.3

1. Earnings Yield= (Earnings per = (-0.06/3.5)\*100% share/Market Price Per Share)\*100% = -1.7%

|  |  |
| --- | --- |
| 4. Net Assets per share= (net assetspreference share capital)/number of Ordinary Shares        | Net Assets= (20,483,325-13,329,544) = (7,153,781-0)/900,000,000) =7.9  |
| 5. Dividend Per Share= (Gross Dividend/Number of Ordinary Shares)\*100  | = (135,000,000/900,000,000)\*100% = 0.15  |

1. Dividend Pay-out ratio= (Dividend = (0.15/-0.06)\*100\* per share/Earnings per share)\*100 = -250
2. Dividend Yield= (Dividend Per = (0.15/3.5)\*100%

Share/Market price per share)\*100 = 4.3%

 =(-97,447-0)/135,000,000

1. Dividend Cover= (Profit After = -7.2times

Tax- Preference Dividend)/Gross

Dividend

# LONG TERM SOLVENCY AND STABILITY RATIOS

1. Gearing Ratio= (Fixed Interest loans+ Preference share capital)/( Ordinary Share Capital+ Reserves)

1. Fixed Interest cover= Profit before interest and tax/fixed interest
2. Total Debt to Shareholder’s

funds= (Noncurrent Liabilities+ Current

Liabilities)/Shareholder’s funds

NESTLE NIGERIA PLC RATIO ANALYSIS FOR THE YEAR 2018

1 Short term Solvency and Liquidity Ratio

 N’000

* Current Ratio; Current Asset

 Current Liability

 =N82,734,317

 N92,117,501

 =0.9

* Quick Assets or Acid Test Ratio;

 =Current Asset- Inventory Current Liability

(

82,734,317

-

23.124.020)

 N92,117,501

 = 0.65

* Receivables Collection Period;

 Average Trade Receivables x 365days

 Credit Sales

 =N42,175,062x 365 days

 N266,274,621

 =58 Days

* Payables Payment period

 = Average Trade Payables x 365days

 Credit Purchases

 =N60,384,454x 365 days

 N152,354,445

 =147 Days

* Inventory Turnover Period

 = Average Inventory

 Cost Of Sales

 =N23,124,020x 365 days

 N152,354,445 =114Days

* Receivables Turnover Period

 = Credit Sales

 Average Trade Receivables

 =N266,274,621

 N42,175,062 = 6Times

* Payables Turnover Period

 = Credit Purchases

 Average Trade Payables

 =N152,354,445

 N60.384,454 =3Times

* Inventory Turnover

 = Cost Of Sales

 Average Inventory

 =N152,354,445

 N23,124,020

 =7Times

1. Efficiency and profitability Ratio
	* Return On Capital Employed;

 =Profit

 Capital Employed

 =N59,750,846

 N(162,334,422-92,117,507)

 = N59,750,846

 N70,216,921 =N0.85

* + Gross Profit Margin;

 =Gross Profit x 100

 Sales

 =N113,920,176x 100 N266,274,621 =43%

* + Net Profit Percentage;

 =Net Profit x 100

 Sales

 =N43,008,026x 100

 N266,274,621 =43%

* + Expense Percentage;

 =Individual Expenses x 100

 Total Expense

 =N43,489,890

 N53,279,445

 =82%

* + Expense To Sales Percentage;

 =Individual Expenses x 100

 Sales

 = N43,489,890 x 100

 N266,274,621

 =N16%

1. Investor’s Or Shareholders Ratio
	* Earnings Per share;

 = Profit After Tax- Preference Dividend

 No. Of Ordinary Shares Issued

 =N43,008,026,000

 N792,652,252

 =N54.2

* + Price Earnings Ratio;

 =Market Price Per Share Earnings Per Share

 =N1.485

 N54.2

 =N27.3

* + Earnings Yield;

 = Earnings Per Share

 Market Price Per Share

 = N54.2

 N1,485 =0.04

* + Net Asset Per Share;

 = Net Assets- Preference Share Capital

 No. Of Ordinary Shares

 = N(162,334,422,000-112,113,936,000)

 792,652,252

 =N50,220,486

 792,652,252

 =63.4

* + Dividend Per Share;

 =Gross Dividend

 No. Of Ordinary Shares

 = N37,661,172,000

 792,652,252

 =N47.5

* + Dividend Payout Ratio;

 = Dividend Per Share X 100

 Earnings Per share

 =N47.5x 100

 N54.2

 =87.6%

* + Dividend Yield;

 = Dividend Per Share X 100

 Market Price Per share

 = N47.5x100

 N1,485

 =3.2%

* + Dividend Cover;

 = Profit After Tax- Preference Dividend

 Gross Dividend

 = N43,008,026

 N37,661,172

 =1.1

1. Long Term Solvency And Stability Ratio

* + Gearing;

 = Debt

 Equity

 =N19,996,435

 50,220,486

 =0.40

* + Fixed Interest Cover;

 =Profit Before Interest And Tax

 Fixed Interest

* + Total Debt to Shareholders Funds;

 = Non-Current Liability + Current Liability

 Equity/ Shareholders Fund

 =N19,996,435+N92,117,501

 50,220,486

 =N112,113,936

 50,220,486

 =N2.2