NAME: AKADA ELIJAH WARIPAMOWEI

MATRIC NUMBER: 17/SMS02/006

TITLE: ACCOUNTING RATIOS

ASSIGNMENT

An analysis of the ratio formula of the company's financial statements previously submitted;

A. OMATEK VENTURES PLC (2018)

1. SHORT TERM SOLVENCY AND LIQUIDITY RATIOS

A. CURRENT RATIOS

$$= \frac{\text{CURRENT ASSETS}}{\text{CURRENT LIABILITIES}}$$

$$= \frac{3{,}487}{4{,}425} \quad =0.7880$$

B. QUICK ASSET

$$= \frac{\text{CURRENT ASSETS – INVENTORY}}{\text{CURRENT LIABILITIES}}$$

$$= \frac{3{,}487-0}{4{,}425} \quad =0.7880$$

C. RECEIVABLES COLLECTION PERIOD

$$= \frac{\text{TRADE RECEIVEABLES*365 DAYS}}{\text{CREDIT SALES}}$$

$$= \frac{3{,}487*365}{80{,}000} \quad =15.91$$

D. PAYABLE PAYMENT PERIOD

$$= \frac{\text{TRADE PAYABLES*365DAYS}}{\text{CREDIT PURCHASES}}$$

=4,357*365

0 =0

E. INVENTORY TURNOVER PERIOD

= AVERAGE INVENTORY*365DAYS

COST OF SALES

=0*365

0 =0

F. RECEIVEABLES TURNOVER

= CREDIT SALES

RECEIVEABLES

= 80,000

3,487 =22.9

G. PAYABLES TURNOVER

= CREDIT PURCHASES

PAYABLES

= 0

4,357 =0

H. INVENTORY TURNOVER

= COST OF SALES

AVERAGE INVENTORY

= 0

0 =0

2. EFFICIENCY /PROFITABILITY RATIO

A. RETURNS ON CAPITAL EMPLOYED

=PROIFIT AFRET TAX

EQUITY (SHAREHOLDERS FUND)

= 1,045

3,046 =0.34

B. GROSS PROFIT MARGIN

= GROSS PROFIT*100%

SALES

=80*100%

80,000 =0.1

C. NET PROFIT MARGIN

= NET PROFIT*100

SALES

= 1,042*100

80,000 =1.30

3. INVESTOR/SHAREHOLDERS RATIO

A. EARNINGS PER SHARE (given)

B. PRICE EARNING RATIO

= MARKET PRICE PER SHARE

EARNINGS PER SHARE

= 0.39

0.39 =1

C. EARNINGS YEILD

= EPS

MPS

= 0.39

0.39 =1

D. NET ASSETS PER SHARE

=NET ASSETS- PREFERENCE SHARES

NO OF ORDINARY SHARE IN ISSUE

= 5,288-0

1,471 =3.59

E. DIVIDEND PER SHARE

=GROSS DIVIDEND

NO OF ORDINARY SHARES

=0

1,471 =0

F. DIVIDEND PAYOUT RATIO

= DIVIDEND PER SHARE*100

EARNINGS PER SHARE

= 0*100

0.39 =0

G. DIVIDEND YEILD

= DPS*100

MPS

=0*100

0.39 =0

H. DIVIDEND COVER

= PROFIT AFTER TAX- PREFERENCE DIVIDEND

GROSS DIVIDEND

= 1,045-0

0 =0

4. LONG TERM SOLVENCY AND STABILITY RATIO

A. GEARING RATIO

=DEBT

TOTAL CAPITAL

= 1,801

5,288 =0.34

B. TOTAL DEBT TO SHAREHOLDERS FUND

= NON CURRENT LIABILITIES + CURRENT LIABILITIES

EQUITY

=1,801+4,425

3,046 =2..43

B. MTN (2018)

1. SHORT TERM SOLVENCY AND LIQUIDITY RATIOS

A. CURRENT RATIOS

=CURRENT ASSETS

CURRENT LIABILITIES

=58,038

72,570 =0.80

B. QUICK ASSET

=CURRENT ASSETS –INVENTORY

CURRENT LIABILITIES

= 58,038-2,995

72,570 =0.76

C. RECEIVABLES COLLECTION PERIOD

=TRADE RECEIVEABLES*365 DAYS

CREDIT SALES

= 26,669*365

134,560 =72.3

D. PAYABLE PAYMENT PERIOD

= <u>TRADE PAYABLES*365DAYS</u>

CREDIT PURCHASES

=<u>48,354*365</u>

23,576 =749

E. INVENTORY TURNOVER PERIOD

= <u>AVERAGE INVENTORY*365DAYS</u>

COST OF SALES

<u>= 2,995*365</u>

23,576 =46

F. RECEIVEABLES TURNOVER = <u>CREDIT SALES</u>

RECEIVEABLES

= <u>134,560</u>

26,669 =5.05

G. PAYABLES TURNOVER

= <u>CREDIT PURCHASES</u>

PAYABLES

=<u>23,576</u>

48,354 =0.49

H. INVENTORY TURNOVER = <u>COST OF SALES</u>

AVERAGE INVENTORY

=<u>23,576</u>

2,995 =7.87

2. EFFICIENCY /PROFITABILITY RATIO

A. RETURNS ON CAPITAL EMPLOYED

=<u>PROIFIT AFTER TAX</u>

EQUITY (SHAREHOLDERS FUND)

=<u>9,578</u>

88,226 =0.11

B. GROSS PROFIT MARGIN

= <u>GROSS PROFIT</u>*100%

SALES

<u>= 0*100</u>

134,560 =0

C. NET PROFIT MARGIN

= <u>NET PROFIT</u>*100

SALES

=<u>0*100</u>

134,560 =0

3. INVESTOR/SHAREHOLDERS RATIO A.

EARNINGS PER SHARE (given)

B. PRICE EARNING RATIO

= <u>MARKET PRICE PER SHARE</u>

EARNINGS PER SHARE

=<u>478</u>

485 =0.9856

C. EARNINGS YEILD

= <u>EPS</u>

MPS

= <u>485</u>

478 =1.0146

D. NET ASSETS PER SHARE

=<u>NET ASSETS- PREFERENCE SHARES</u>

NO OF ORDINARY SHARE IN ISSUE

= <u>58,038-0</u>

1,884,269,758 =0

E. DIVIDEND PER SHARE

=<u>GROSS DIVIDEND</u>

NO OF ORDINARY SHARES

= <u>0</u>

1,884,269,758 =0

F. DIVIDEND PAYOUT RATIO

= <u>DIVIDEND PER SHARE*100</u>

EARNINGS PER SHARE

= <u>325*100</u>

485 =67.0

G. DIVIDEND YEILD

<u>= DPS</u>*100

MPS

= <u>325*100</u>

478 =67.0

H. DIVIDEND COVER

= PROFIT AFTER TAX- PREFERENCE DIVIDEND

GROSS DIVIDEND

=9,578-0

0 =0

4. LONG TERM SOLVENCY AND STABILITY RATIO

A. GEARING RATIO

=DEBT

TOTAL CAPITAL

=0

B. TOTAL DEBT TO SHAREHOLDERS FUND

= NON CURRENT LIABILITIES + CURRENT LIABILITIES

EQUITY

=83,811+72,570

88,226. =1.77

C. CAPITAL HOTELS PLC (2018)

1. SHORT TERM SOLVENCY AND LIQUIDITY RATIOS

A. CURRENT RATIOS

=CURRENT ASSETS

CURRENT LIABILITIES

=5,698,295

2,630,478 =2.17

B. QUICK ASSET

=CURRENT ASSETS –INVENTORY

CURRENT LIABILITIES

= 5,698,295-141,990

2,630,478 =2.11

C. RECEIVABLES COLLECTION PERIOD

$$\frac{\text{TRADE RECEIVEABLES*365 DAYS}}{\text{CREDIT SALES}}$$

$$= \frac{1{,}620{,}077*365}{5{,}977{,}436} = 99$$

D. PAYABLE PAYMENT PERIOD

$$= \frac{\text{TRADE PAYABLES*365DAYS}}{\text{CREDIT PURCHASES}}$$

$$= \frac{2{,}378{,}096*365}{4{,}869{,}732} = 178$$

E. INVENTORY TURNOVER PERIOD

$$= \frac{\text{AVERAGE INVENTORY*365DAYS}}{\text{COST OF SALES}}$$

$$= \frac{141{,}990*365}{4{,}869{,}732} = 10.6$$

F. RECEIVEABLES TURNOVER

$$= \frac{\text{CREDIT SALES}}{\text{RECEIVEABLES}}$$

$$= \frac{5{,}977{,}436}{1{,}620{,}077} = 3.69$$

G. PAYABLES TURNOVER

$$= \frac{\text{CREDIT PURCHASES}}{\text{PAYABLES}}$$

$$= \frac{4{,}869{,}732}{2{,}378{,}096} = 2.05$$

H. INVENTORY TURNOVER

$$= \frac{\text{COST OF SALES}}{\text{AVERAGE INVENTORY}}$$

$$= \frac{4{,}869{,}732}{141{,}990} = 34.3$$

2. EFFICIENCY /PROFITABILITY RATIO

A. RETURNS ON CAPITAL EMPLOYED

$$= \frac{\text{PROIFIT AFRET TAX}}{\text{EQUITY (SHAREHOLDERS FUND)}}$$

$$= \frac{379{,}946}{6{,}416{,}983} = 0.1$$

B. GROSS PROFIT MARGIN

= GROSS PROFIT*100%

SALES

= 1,107,704*100%

5,977,436 =18.5

C. NET PROFIT MARGIN

= NET PROFIT*100

SALES

= 437,010*100

5,977,436 =7.31

3. INVESTOR/SHAREHOLDERS RATIO A.

EARNINGS PER SHARE (given)

B. PRICE EARNING RATIO

= MARKET PRICE PER SHARE

EARNINGS PER SHARE

= 0.25

0.25 =0

C. EARNINGS YEILD

= EPS

MPS

= 0.25

0.25 =0

D. NET ASSETS PER SHARE

=NET ASSETS- PREFERENCE SHARES

NO OF ORDINARY SHARE IN ISSUE

= 10,076,819-0

0 =0

E. DIVIDEND PER SHARE

=GROSS DIVIDEND

NO OF ORDINARY SHARES

= 0

0 =0

F. DIVIDEND PAYOUT RATIO

= DIVIDEND PER SHARE*100

EARNINGS PER SHARE

= 0*100

0.25 =0

G. DIVIDEND YEILD

= DPS*100

MPS

= 0*100

0.25 =0

H. DIVIDEND COVER

= PROFIT AFTER TAX- PREFERENCE DIVIDEND

GROSS DIVIDEND

= 379,946-0

0 =0

4. LONG TERM SOLVENCY AND STABILITY RATIO

A. GEARING RATIO =DEBT

TOTAL CAPITAL

=0

B. TOTAL DEBT TO SHAREHOLDERS FUND

= NON CURRENT LIABILITIES + CURRENT LIABILITIES

EQUITY

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

6,416,983 =1.1

D. ABC TRASPORT PLC (2018)

1. SHORT TERM SOLVENCY AND LIQUIDITY RATIOS

A. CURRENT RATIOS

= CURRENT ASSETS

CURRENT LIABILITIES

= 751,579

1,392,283 =

B. QUICK ASSET

=CURRENT ASSETS –INVENTORY

CURRENT LIABILITIES

= 751,579-224,394

1392,283, =

C. RECEIVABLES COLLECTION PERIOD

=<u>TRADE RECEIVEABLES*365 DAYS</u>

CREDIT SALES

=<u>279,637*365</u>

4,083,653 =

D. PAYABLE PAYMENT PERIOD

= <u>TRADE PAYABLES*365DAYS</u>

CREDIT PURCHASES

=<u>678,920*365</u>

3,314,542 =

E. INVENTORY TURNOVER PERIOD

= <u>AVERAGE INVENTORY*365DAYS</u>

COST OF SALES

= <u>224,394*365</u>

3,314,542 =

F. RECEIVEABLES TURNOVER

= <u>CREDIT SALES</u>

RECEIVEABLES

=<u>4,083,653</u>

279,637 =

G. PAYABLES TURNOVER

= <u>CREDIT PURCHASES</u>

PAYABLES

=<u>3,314,542</u>

678,920 =

H. INVENTORY TURNOVER

= <u>COST OF SALES</u>

AVERAGE INVENTORY

=<u>3,314,542</u>

224,394 =

2. EFFICIENCY /PROFITABILITY RATIO

A. RETURNS ON CAPITAL EMPLOYED

=<u>PROIFIT AFTER TAX</u>

EQUITY (SHAREHOLDERS FUND)

=<u>175,523</u>

1,564,582 =

B. GROSS PROFIT MARGIN

= <u>GROSS PROFIT</u>*100%

SALES

=<u>769,112*100%</u>

4,083,653 =

C. NET PROFIT MARGIN

= <u>NET PROFIT</u>*100

SALES

=<u>175,523*100</u>

4,083,653 =

3. INVESTOR/SHAREHOLDERS RATIO

A. EARNINGS PER SHARE (given)

B. PRICE EARNING RATIO

= <u>MARKET PRICE PER SHARE</u>

EARNINGS PER SHARE

=<u>11</u>

11 =0

C. EARNINGS YEILD

= <u>EPS</u>

MPS

=<u>11</u>

11 =0

D. NET ASSETS PER SHARE

=<u>NET ASSETS- PREFERENCE SHARES</u>

NO OF ORDINARY SHARE IN ISSUE

=<u>3,330,473-0</u>

0 =

E. DIVIDEND PER SHARE

=<u>GROSS DIVIDEND</u>

NO OF ORDINARY SHARES

=<u>0</u>

0 =0

F. DIVIDEND PAYOUT RATIO

= <u>DIVIDEND PER SHARE*100</u>

EARNINGS PER SHARE

=<u>0*100</u>

11 =

G. DIVIDEND YEILD

<u>= DPS</u>*100

MPS

<u>= 0*100</u>

11 =

H. DIVIDEND COVER

= <u>PROFIT AFTER TAX- PREFERENCE DIVIDEND</u>

GROSS DIVIDEND

=<u>32,453-0</u>

0 =

4. LONG TERM SOLVENCY AND STABILITY RATIO

A. GEARING RATIO

=<u>DEBT</u>

TOTAL CAPITAL

=0

B. TOTAL DEBT TO SHAREHOLDERS FUND

= <u>NON CURRENT LIABILITIES + CURRENT LIABILITIES</u>

EQUITY

= <u>380,075+2,249,247</u>

1,558,307 =

E. NESTLÉ NIGERIA PLC RATIO ANALYSIS FOR THE YEAR 2018

1. SHORT TERM SOLVENCY AND LIQUIDITY RATIOS

A. CURRENT RATIOS

=<u>CURRENT ASSETS</u>

CURRENT LIABILITIES

= <u>82,734,317</u>

92,117,501 =0.9

B. QUICK ASSET

=<u>CURRENT ASSETS –INVENTORY</u>

CURRENT LIABILITIES

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

92,117,501 = 0.65

C. RECEIVABLES COLLECTION PERIOD

=TRADE RECEIVEABLES*365 DAYS

CREDIT SALES

= 42,175,062 x 365 days

266,274,621 =58Days

D. PAYABLE PAYMENT PERIOD

= TRADE PAYABLES*365DAYS

CREDIT PURCHASES

=60,384,454x 365 days

152, 354,445 =147Days

E. INVENTORY TURNOVER PERIOD

= AVERAGE INVENTORY*365DAYS

COST OF SALES

=23,124,020x 365 days

152,354,445 =114Days

F. RECEIVEABLES TURNOVER

= CREDIT SALES

RECEIVEABLES

=266,274,621

42,175,062 =6 Times

G. PAYABLES TURNOVER

= CREDIT PURCHASES

PAYABLES

=152,354,445

60,384,454 =3 Times

H. INVENTORY TURNOVER = COST OF SALES

AVERAGE INVENTORY

=152,354,445

23,124,020 =7 Times

2. EFFICIENCY /PROFITABILITY RATIO
   A. RETURNS ON CAPITAL EMPLOYED

      =PROIFIT AFRET TAX

      EQUITY (SHAREHOLDERS FUND

      =59,750,846

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

      =59,750,846

      70,216,921 =0.85

   B. GROSS PROFIT MARGIN

      = GROSS PROFIT*100%

      SALES

      =113,920,176x 100

      266,274,621 =43%

   C. NET PROFIT MARGIN

      = NET PROFIT*100

      SALES

      =43,008,026x 100

      266,274,621 =16%

3. INVESTOR/SHAREHOLDERS RATIO A. EARNINGS PER SHARE (given)

   =43,008,026,000

   792,652,252 =54.2

   B. PRICE EARNING RATIO

   = MARKET PRICE PER SHARE

   EARNINGS PER SHARE

   =1,485

   54.2 =27.3

   C. EARNINGS YEILD

   = EPS

   MPS

   = 54.2

   1,485 =0.04

   D. NET ASSETS PER SHARE

   =NET ASSETS- PREFERENCE SHARES

NO OF ORDINARY SHARE IN ISSUE

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

792,652,252

=50,220,486

792,652,252 =₦63.4

E. DIVIDEND PER SHARE

=GROSS DIVIDEND

NO OF ORDINARY SHARES

=37,661,172,000

792,652,252 =₦47.5

F. DIVIDEND PAYOUT RATIO

= DIVIDEND PER SHARE*100

EARNINGS PER SHARE

=47.5x100

54.2 =87.6%

G. DIVIDEND YEILD

= DPS*100

MPS

=47.5x100

1,485 =3.2%

H. DIVIDEND COVER

= PROFIT AFTER TAX- PREFERENCE DIVIDEND

GROSS DIVIDEND

=43,008,026

37,661,172 =1.1

4. LONG TERM SOLVENCY AND STABILITY RATIO

A. GEARING RATIO =DEBT

TOTAL CAPITAL

=19,996,435

50,220,486 =0.40

B. TOTAL DEBT TO SHAREHOLDERS FUND

= NON CURRENT LIABILITIES + CURRENT LIABILITIES

EQITY (SHAREHOLDERS FUND)

=19,996,435+92,117,501

50,220,486

=112,113,936
50,220,486 =₦2.2

F. NIGERIAN BREWERIES PLC (2017)

1. SHORT TERM SOLVENCY AND LIQUIDITY RATIOS

A. CURRENT RATIOS

=CURRENT ASSETS
CURRENT LIABILITIES

= 87,491,662
156,698,905 =0.558

B. QUICK ASSET

=CURRENT ASSETS –INVENTORY
CURRENT LIABILITIES

= 87,491,662-42,728,862 =44,762,800
156,698,905 156,698,905 =0.2857

C. RECEIVABLES COLLECTION PERIOD

=TRADE RECEIVEABLES*365 DAYS
CREDIT SALES

=20,384,112*365 =7,440,200,880
344,562,517 344,562,517 =21.5931

D. PAYABLE PAYMENT PERIOD

= TRADE PAYABLES*365DAYS
CREDIT PURCHASES

= 128,646,043*365
201,013,357 =234

E. INVENTORY TURNOVER PERIOD

= AVERAGE INVENTORY*365DAYS
COST OF SALES

= 42,728,862*365
201,013,357 =76

F. RECEIVEABLES TURNOVER

= CREDIT SALES
RECEIVEABLES

=344,562,517

551,862 =624

G. PAYABLES TURNOVER

= CREDIT PURCHASES

PAYABLES

=201,013,357

128,646,043 =1.6

H. INVENTORY TURNOVER

= COST OF SALES

AVERAGE INVENTORY

=201,013,357

42,728,862 =4.7

2. EFFICIENCY /PROFITABILITY RATIO A. RETURNS ON CAPITAL EMPLOYED

=PROIFIT AFTER TAX

EQUITY (SHAREHOLDERS FUND)

= 33,009,292

178,150,934 =0.2

B. GROSS PROFIT MARGIN

= GROSS PROFIT*100%

SALES

= 143,549,160*100%

344,562,517. =41.7

C. NET PROFIT MARGIN

= NET PROFIT*100

SALES

= 10,553,997*100

344,562,517 =3.1

3. INVESTOR/SHAREHOLDERS RATIO A. EARNINGS PER SHARE (given)

B. PRICE EARNING RATIO

= MARKET PRICE PER SHARE

EARNINGS PER SHARE

= 414

413 =1.0024

C. EARNINGS YEILD

$$= \frac{EPS}{MPS}$$

$$= \frac{413}{414} \quad = 0.9976$$

D. NET ASSETS PER SHARE

$$= \frac{\text{NET ASSETS- PREFERENCE SHARES}}{\text{NO OF ORDINARY SHARE IN ISSUE}}$$

$$= \frac{382{,}726{,}540-0}{8{,}854{,}143} \quad = 43.2$$

E. DIVIDEND PER SHARE

$$= \frac{\text{GROSS DIVIDEND}}{\text{NO OF ORDINARY SHARES}}$$

$$= \frac{28{,}453{,}982}{8{,}854{,}143} \quad = 3.2$$

F. DIVIDEND PAYOUT RATIO

$$= \frac{\text{DIVIDEND PER SHARE}*100}{\text{EARNINGS PER SHARE}}$$

$$= \frac{0*100}{413} \quad = 0$$

G. DIVIDEND YEILD

$$= \frac{DPS}{MPS}*100$$

$$= \frac{0*100}{414} \quad = 0$$

H. DIVIDEND COVER

$$= \frac{\text{PROFIT AFTER TAX- PREFERENCE DIVIDEND}}{\text{GROSS DIVIDEND}}$$

$$= \frac{33{,}009{,}292-0}{28{,}453{,}982} \quad = 1.16$$

4. LONG TERM SOLVENCY AND STABILITY RATIO

A. GEARING RATIO

$$= \frac{DEBT}{\text{TOTAL CAPITAL}}$$

=0

B. TOTAL DEBT TO SHAREHOLDERS FUND

$$= \frac{\text{NON CURRENT LIABILITIES + CURRENT LIABILITIES}}{\text{EQUITY}}$$

$$= \frac{295,234,878+156,698,905}{178,150,934} = 2.54$$

G. JULIUS BERGER

1. SHORT TERM SOLVENCY /LIQUIDITY RATIOS

A. Current Ratio

$$= \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

$$= \frac{125,039,446}{73,196,234}$$

$= 1.71$

$=1$

B. Quick Assets ratio or Acid Test Ratio

$$= \frac{\text{Current Assets-Inventory}}{\text{Current Liabilities}}$$

$$= \frac{125,039,446- 11,304,296}{73,196,234}$$

$=1.55$

$= 1$

C. Receivables Collection Period

$$= \frac{\text{Average Trade Receivables}}{\text{Sales}} \times 365 \text{ days Credit}$$

$$= \frac{91,108,522}{170,326, 746} \times 365 \text{ days}$$

$=195.2$

$=195$

D. Payables Payment Period

$$= \frac{\text{Average Trade Payables}}{\text{Credit Purchases}} \times 365 \text{ days}$$

$$= \frac{8,471,491}{132,254,711} \times 365 \text{ days}$$

$=23.4$

= 23

E. Inventory Turnover Period

$$= \frac{\text{Average Trade Inventory}}{\text{Cost of Sales}} \times 365 \text{ days}$$

$$= \frac{11,304,296}{132,254,711} \times 365 \text{ days}$$

= 31.2

=32

F. Receivables Turnover

$$= \frac{\text{Credit Sales}}{\text{Average Receivables}} \times 365 \text{ days}$$

$$= \frac{170,326,\ 746}{91,108,522} \times 365 \text{ days}$$

=682.3 = 682 days

G. Payables Turnover $= \frac{\text{Credit Purchases}}{\text{Average Payables}} \times 365 \text{ days}$

$$=\frac{132,254,711}{8,471,491} \times 365 \text{ days}$$

=5698.2

= 5698 days

H. Inventory Turnover $= \frac{\text{Cost of Sales}}{\text{Average Inventory}} \times 365 \text{ days}$

$$= \frac{132,254,711}{11,304,296} \times 365 \text{ days}$$

= 4270.3

=4270days

2. EFFICIENCY/PROFITABILITY RATIO

A. Return on Capital Employed

$$= \frac{\text{Profit (Return)}}{\text{Capital Employed}}$$

$$= \frac{6,630,667}{194,864,153}$$

= 0.03

Capital Employed = Total Assets – Current Liabilities

=268,060,387 – 73,196,234

=194,864,153

B. Gross Margin

$$= \frac{\text{Gross Profit}}{\text{Sales}} \times 100\%$$

$$= \frac{38{,}072{,}035}{170{,}326{,}746} \times 100\%$$

= 22.3

C. Net Profit Margin

$$= \frac{\text{Net Profit}}{\text{Sales}} \times 100\%$$

$$= \frac{4{,}641{,}627}{132{,}254{,}711} \times 100\%$$

= 3.51

D. Expenses Percentage

$$= \frac{\text{Individual Expenses}}{\text{Expenses}} \times 100\% \text{ Total}$$

$$= \frac{78{,}012}{20{,}834{,}381} \times 100\%$$

= 3.74

=4

E. Expenses to Sales

$$= \frac{\text{Individual Expenses}}{\text{Sales}} \times 100\%$$

$$= \frac{78{,}012}{170{,}326{,}746} \times 100\%$$

=4.58

=5%

3. INVESTORS/SHAREHOLDERS RATIOS

A. Earnings Per Share

$$= \frac{\text{Profit after Tax – Preference Dividend}}{\text{Number of Ordinary Shares}}$$

$$= \frac{4{,}641{,}627 - 1{,}322{,}000}{1{,}320{,}000}$$

=2.51

B. Price Earnings Ratios

$$= \frac{\text{Market Per Share}}{\text{Earnings Per Share}}$$

$$= \frac{0.50}{2.51}$$

$$= 0.20$$

C. Earnings Yield

$$= \frac{\text{Earnings Per Share}}{\text{Market Per Share}}$$

$$= \frac{2.51}{0.50}$$

$$= 5.02$$

D. Net Assets Per Share

$$= \frac{\text{Net Assets-Preference Share Capital}}{\text{No. of Ordinary Share}}$$

$$= \frac{16{,}710{,}922}{1{,}320{,}000}$$

$$= 12.66$$

E. Dividends Per Share

$$= \frac{\text{Gross Dividends}}{\text{No. of Ordinary Shares}}$$

$$= \frac{1{,}322{,}000}{1{,}320{,}000}$$

$$=1.00$$

F. Dividend Payout Ratio

$$= \frac{\text{Dividend Per Share}}{\text{Earnings Per Share}} \times 100\%$$

$$=\frac{1.00}{2.51}$$

$$= 0.40$$

G. Dividend Yield $= \frac{\text{Dividends Per Share}}{\text{Market Per Share}}$

$$= \frac{1.00}{0.50}$$

$$= 2$$

H. Dividend Cover = <u>Profit after Tax – Preference Dividend</u>

Gross Dividend

= 4,641,627- 1,322,000

1,322,000

=2.51

4. LONG TERM SOLVENCY / STABILITY RATIOS

A. Gearing Ratio

= Debt

Total Capital

= 194,864,153

660,000

=295.2

B. Total Debt to Shareholders' Fund = Non Current Liabilities + Current Liabilities

Equity

=178,153,231 +73,196,234

16,710,922

=251,349,465

16,710,922

=15.04

G. **CUTIX PLC**

Short term/liquidity ratios

• Current ratio=Current Assets/Current liabilities 1,957,976

1,359,513

=1.44:1

• Acid test ratio=current assets- inventory/current liabilities 1,957,976- 1,317,958

1,359,513

=0.41:1

• Receivable collection period= average trade receivables/credit sales×365 days 525,058

5057,374×365 days

=0.10days

• Payables payment period=Average trade payables/cost of sales × 365 days 499,300

3,536,685 ×365 days

=0.14days

- Inventory turnover period= average inventory/cost of sales×365 days 1,317,958

3,536,685× 365 days

=0.37days

- Receivable turnover =credit sales/average receivables 5,057,374

525,058

=9 times

- Payables turnover=cost of sales/ average payables 3,536,658

499,300

=7 times

- Inventory turnover =cost of sales/average inventory 3,536,658

1,317,958

=2.6 times

Efficiency/profitability ratios

- ROCE= PBIT/capital employed×100%
- Capital employed=total asset-current liabilities 799,070

1,476,749×100%

=0.54%

2,836,262─1,359,513

=1,476,749

- Gross profit margin= gross profit/sales×100% 1,520,689

3,536,685×100%

=0.4%

- Net profit margin=net profit/sales×100% 440,295

/3,536,685×100%

=0.12%

- Expense percentage= individual expense/total expense ×100%
- selling and distribution expenses

- administration expenses

- Impairment loss

- Finance cost

- Income tax expense 221,268

/799,070×100%

=0.27%

142,212

/5,057,375×100%

=0.02%

613,304/

799070×100%

=0.76%

85,887/

5,057,375×100%

=12.0%

137,507/

799070×100%

=0.23%

221,268/

5,057,375×100%

=0.34%

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

- Administration expense

- Impairment loss 221,268/

3,536685×100%

=0.06%

142,212/

5,057,374×100%

=0.02%

613,304

/3536,685×100%

=0.17%

85,887

/3536,685×100%

=0,02%

- Finance cost 137,507

/5057,374×100%

=0.02%

- Income tax expense 221,268

/5,057,374×100%

=3.5%

Investors /Shareholder Ratios

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

=50kobo

- Price earnings ratio=MPS/EPS 1.47/

50

=9years

- Earnings yield =EPS/MPS×100% 50/

1.47

=34.0%

- Net asset per share=net asset-preference share/No of ordinary share 2,836,262─104,356

/1,435,802

=₦1.9

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

=18kobo

- Dividend payout ratio=DPS/EPS×100% 18

/50×100%

=0.36%

- Dividend yield=DPS/MPS×100% 18

/1.47

=12%

- Dividend covered=EPS/DPS 50

/18=2.7 times

Long Term Solvency Ratios

- Gearing Ratio=debt/ equity

- Fixed interest cover=profit before interest& tax/fixed interest 177457/

1,299,292

=0.13

799,070

/137,507

=5.8

- Total debt to shareholder fund= noncurrent liabilities +current liabilities/equity 177,457+1,359,513

/1,299,292

=1.18

I. BERGER PAINTS PLC

A1. Short term/Liquidity Ratios

. Current Ratio=Current Assets/Current Liabilities

1,646,124

1,285,038= 1.28:1

2 Acid test ratio= Current Assets-inventory/Current Liabilities
1,646,124-606,712

1,285,038= 0.80:1

3 Receivable Collection Period= Average Receivables/ Credit sales x 365days
190,982

3,377,223 x 365days= 21days

4 .Payables Payment Period= Average Payables/ Cost of Sales x 365days
622,491

1,896,862 x 365days= 120days

5 Inventory turnover Period= Average Inventory/ Cost of Sales x 365days
606,712

1,896,862 x 365days= 117days

6 .Receivable Turnover= Credit Sales/ Average Receivables 3,377,223

190,982= 17.7times

7 Payables Turnover= Cost of Sales/Average payables 1,896,862

622,491= 3times

8 Inventory Turnover= Cost of Sales/Average Inventory 1,896,862

606,712= 3times

B1. Efficiency/Profitability Ratios

ROCE= PBIT/Capital Employed x100%

Capital Employed= Total Asset-Current Liabilities

454,328

3,250,261x100%=14%

2 Gross Profit Margin= Gross profit/Sales x 100% 1,480,361

3,377,223 x 100%= 44%

3 .Net Profit Margin= Net profit/Sales x100% 320,509

3,377,223 x 100%= 9.5%

4 .Expense Percentage= Individual Expense/ Total Expense x 100%

Selling and Distribution expenses

Administration Expense

Impairment loss

Finance Cost

Income Tax Expense

237,375

1,234,862 x100%=19%

829,609

1,234,862 x100%= 67%

14,899

1,234,862 x100%= 1.2%

19,160

1,234,862 x100%= 1.6%

133,819

1,234,862 x100%= 11%

5 Expense to Sales= Individual expense/ Sales x 100%

Selling and Distribution expenses

Administration Expense

Impairment loss

Finance Cost

Income Tax Expense

237,375

3,377,223 x100%= 7%

829,609

3,377,223 x 100%= 25%

14,899

3,377,223 x 100%= 0.44%

19,160

3,377,223 x100%= 0.57%

133,819

3,377,233 x100%=4%

C1 Investors/Shareholder Ratios

EPS= PAT-Preference dividend/ No of Ordinary Shares x 100

320,509-0

289,823 x 100=

111kobo

2 .Price Earnings Ratio= MPS/EPS 7.45

1.11 = 6years 7month

3 Earning Yield=EPS/MPS x 100% 1.11

7.45 x100%= 15%

4 Net Asset per Share=Net Asset- Preference share/ No of Ordinary Shares 4,535,299-0

289,823=₦16

5 .Dividend Per Share=Gross Dividend/No of Ordinary Shares 144,912

289,823=₦0.5

6 .Dividend Payout Ratio=DPS/EPS x100% 50

111 x100%= 45%

7 .Dividend Yield=DPS/MPSX100% 0.5

7.45x 100%= 7%

8 Dividend Covered= EPS/DPS 111

50=2.2times

D Long Term Solvency Ratios

1 Gearing Ratio=Debt/Equity 1,722,247

/2,813,052=0.61

2 Fixed Interest Covered=PBIT/Finance cost 454,328

19,160=24times

3 Total Debt to Shareholder Fund=Non-Current liabilities+ Current liabilities/Equity 437,209+1,285,038

2,813,052=0.61

- **J.** PORTLAND PAINTS 2018

1 Short term Solvency and Liquidity Ratio

₦’000

- Current Ratio; $\frac{\text{Current Asset}}{\text{Current Liability}}$

  $= \frac{₦1,718,570}{₦\ 700,439}$

  $=2.45$

- Quick Assets or Acid Test Ratio;

  $= \frac{\text{Current Asset- Inventory}}{\text{Current Liability}}$

  $= \frac{₦1,718,570-₦728,047}{700,439}$

  $= 1.41$

- Receivables Collection Period;

  $\frac{\text{Average Trade Receivables}}{\text{Credit Sales}} \text{ x 365days}$

  $= \frac{₦476,180}{₦2,829,262} \text{ x 365 days}$

  $=61 \text{ Days}$

- Payables Payment period

  $= \frac{\text{Average Trade Payables}}{\text{Credit Purchases}} \text{ x 365days}$

  $= \frac{₦501,988}{₦1,753,972} \text{ x 365 days}$

  $=104 \text{ Days}$

- Inventory Turnover Period

  $= \frac{\text{Average Inventory}}{\text{Cost Of Sales}}$

  $= \frac{₦728,047}{₦1,753,972} \text{ x 365}$

  $=152 \text{ Days}$

- Receivables Turnover Period

  $= \frac{\text{Credit Sales}}{\text{Average Trade Receivables}}$

  $= \frac{₦2,829,262}{₦476,180}$

  $=6.9 \text{ Times}$

- Payables Turnover Period
  = Credit Purchases

  Average Trade Payables

  =₦1,753,972

  ₦501,988

  = 3.49 Times

- Inventory Turnover
  = Cost Of Sales

  Average Inventory

  =₦1,753,972

  ₦728,047

  =2.41Times

2. Efficiency and profitability Ratio

- Return On Capital Employed;
  =Profit

  Capital Employed

  =₦206,693

  ₦(2,251,468-700,439)

  =₦206,693

  ₦1,081,131

  =0.20

- Gross Profit Margin;
  =Gross Profit x 100

  Sales

  =₦1,075,290x 100

  ₦2,829,262

  =38%

- Net Profit Percentage;
  =Net Profit x 100

  Sales

  =₦206,693x 100

  ₦2,829,262

  =7%

- Expense Percentage;
  =Individual Expenses x 100

Total Expense

=x 100

=%

- Expense To Sales Percentage;
  =Individual Expenses x 100

  Sales

  = x 100

  =%

3. Investor's Or Shareholders Ratio

- Earnings Per share;
  = Profit After Tax- Preference Dividend

  No. Of Ordinary Shares Issued

  =₦206,693

  793,000

  =0.26

- Price Earnings Ratio;
  =Market Price Per Share
  Earnings Per Share

  =0.26

  2.80

  =10.8

- Earnings Yield;
  = Earnings Per Share

  Market Price Per Share

  = 2.80

  ₦10.8

  =0.23

- Net Asset Per Share;
  = Net Assets- Preference Share Capital

  No. Of Ordinary Shares

  = ₦1,536,981

  793,000

  =₦1.94

- Dividend Per Share;

=Gross Dividend

No. Of Ordinary Shares

= ₦206,585

793,000

=₦0.26

- Dividend Payout Ratio;

= Dividend Per Share X 100

Earnings Per share

=₦0.26

₦0.26

=₦ 1

- Dividend Yield;

= Dividend Per Share X 100

Market Price Per share

=₦0.26 x 100

₦10.8

=₦2.41

- Dividend Cover;

= Profit After Tax- Preference Dividend

Gross Dividend

=₦206,693

₦206,58

=₦ 4.30

4. 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

K. OANDO PLC (2018)

1. SHORT TERM SOLVENCY AND LIQUIDITY RATIOS

A. CURRENT RATIOS

=CURRENT ASSETS

CURRENT LIABILITIES

= 164,402,215

227,409,609 =0.72

B. QUICK ASSET

=CURRENT ASSETS –INVENTORY

CURRENT LIABILITIES

=164,402,215-26,514,991

227,409,609 =0.61

C. RECEIVABLES COLLECTION PERIOD

=TRADE RECEIVEABLES*365 DAYS

CREDIT SALES

= 135,177,498*365

488,518,106 =101

D. PAYABLE PAYMENT PERIOD

= TRADE PAYABLES*365DAYS

CREDIT PURCHASES

= 184,967,900*365

488,938,074 =138

E. INVENTORY TURNOVER PERIOD

= AVERAGE INVENTORY*365DAYS

COST OF SALES

= 26,514,991*365

488,938,074 =20

F. RECEIVEABLES TURNOVER

= CREDIT SALES

RECEIVEABLES

= 488,518,106

135,177,498 =3.6

G. PAYABLES TURNOVER

= CREDIT PURCHASES

PAYABLES

= 488,938,074

184,967,900 =2.6

H. INVENTORY TURNOVER = COST OF SALES

AVERAGE INVENTORY

= 488,938,074

26,514,991 =18.4

2. EFFICIENCY /PROFITABILITY RATIO

A. RETURNS ON CAPITAL EMPLOYED

=PROIFIT AFTER TAX

EQUITY (SHAREHOLDERS FUND)

=18,321,877

60,899,568 =0.3

B. GROSS PROFIT MARGIN

= GROSS PROFIT*100%

SALES

= 419,914*100

488,518,160 =0.08

C. NET PROFIT MARGIN

= NET PROFIT*100

SALES

=1,932,315*100

488,518,160 =0.4

3. INVESTOR/SHAREHOLDERS RATIO A. EARNINGS PER SHARE (given) B. PRICE EARNING RATIO

= MARKET PRICE PER SHARE

EARNINGS PER SHARE

=197

197 =1

C. EARNINGS YEILD

= EPS

MPS

=1

D. NET ASSETS PER SHARE

=NET ASSETS- PREFERENCE SHARES

NO OF ORDINARY SHARE IN ISSUE

=1,075,110,435-0

6,215,706 =173

E. DIVIDEND PER SHARE

=GROSS DIVIDEND

NO OF ORDINARY SHARES

=0

6,215,706 =0

F. DIVIDEND PAYOUT RATIO

= DIVIDEND PER SHARE*100

EARNINGS PER SHARE

=0*100

197 =0

G. DIVIDEND YEILD

= DPS*100

MPS

= 0*100

197 =0

H. DIVIDEND COVER

= PROFIT AFTER TAX- PREFERENCE DIVIDEND

GROSS DIVIDEND

=18,321,877-0

0 =0

4. LONG TERM SOLVENCY AND STABILITY RATIO

A. GEARING RATIO

=DEBT

TOTAL CAPITAL

=0

B. TOTAL DEBT TO SHAREHOLDERS FUND

= NON CURRENT LIABILITIES + CURRENT LIABILITIES

EQUITY

= 348,228,307+448,602,832

277,116,711 =2.88

L. CONOIL PLC

1.SHORT TERM SOLVENCY AND LIQUIDITY RATIOS

A. CURRENT RATIOS

= Current Assets

Current liabilities 54,908,451=1.32:1

41,641,699

B. Quick Asset =

Current assets-inventory

Current liabilities 54,908,451- 9,141,599

41,641,699

=1.1:1

3 RECEIVABLES COLLECTION PERIOD =Trade receivables * 365 days

Credit sales 30,295,096*365 days

122,213,014

=91days

4 PAYABLE PAYMENTS PERIOD

=Trade payables* 365days

Credit purchases 35,065,872*365days

109,442,111

=117 days

5 INVENTORY TURNOVER PERIOD

=Average inventory* 365 days

Cost of sales 7,401,377*365days

109,442,111

=25 days

6 RECEIVABLES TURNOVER

=Credit sales

Receivables 122,213,014 =4 times

30,295,096

7 PAYABLES TURNOVER

= Credit purchases

Payables 109,442,111=3.1 times

35,065,872

8 INVENTORY TURNOVER

=Cost of sales

Average inventory

109,442,111=15 times

7,401,377

B EFFICIENCY / PROFITABILITY RATIO

1 RETURNS ON CAPITAL EMPLOYED= Profit after tax

Equity(shareholder’s fund) 1,796,042 =0.10

18,301,074

2 GROSS PROFIT MARGIN

=Gross profit * 100%

sales 12,770,902 *100

122,213,014

=10.5%

3 NET PROFIT MARGIN

= Net profit * 100

Sales 1,796,042 *100

122,213,014

=1.5%

C INVESTOR/ SHAREHOLDERS’ RATIO

1 EARNING PER SHARE (given) 0.259

2 PRICE EARNING RATIO

=Market price per share

Earnings per share 18.5 =71times

0.259

3 EARNINGS YIELD

= EPS

MPS 0.259=0.014

18.5

4 NET ASSETS PER SHARE

=Net assets –preference shares

No of ordinary share in issue 60,897,246-0

693,952

=87.8

5 DIVIDEND PER SHARE

=Gross dividend

No of ordinary shares 2,151,252

693,952

=3.1

6 DIVIDEND PAYOUT RATIO

=Dividend per share * 100

Earnings per share

3.1*100=12%

0.259

7 DIVIDEND YIELD=

DPS *100

MPS 3.1*100 =16.7%

18.5

8 DIVIDEND COVER

=Profit after tax –preference dividend

Gross dividend 1,796,042- 0

2,151,252

=0.83

D LONG TERM SOLVENCY AND STABILITY RATIO

1 GEARING RATIO =

DEBT

TOTAL CAPITAL 954,473

60,897,246

=0.02

2 TOTAL DEBT TO SHAREHOLDER’S FUND

=Noncurrent liabilities +Current liabilities

Equity 42,596,172

60,897,246

=0.7

L ECOBANK PLC

Short term/liquidity ratios

- Current ratio=Current Assets/Current liabilities
  8,191,180,711/7,520,990,240

=1.18:1

- Acid test ratio=current assets- inventory/current liabilities
  8,191,180,711─2,797,417/7,520,990,240

=1.08:1

Efficiency/profitability ratios

- ROCE= PBIT/capital employed

Capital employed=total asset-current liabilities. 218,360,082/1.840,272

=1.18

22,492,121─20,651,849

=1840272

• Income tax expense 112,831

Investors /Shareholder Ratios

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

1.06kobo

• Price earnings ratio=MPS/EPS 7.05/1.06

=7days

• Earnings yield =EPS/MPS×

100% 1.06/7.05

=0.15%

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

22,582,196/2,113,957

=₦10

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

=61.5kobo

• Dividend payout ratio=DPS/EPS×100% 61.5/1.06×100%

=58%

• Dividend yield=DPS/MPS×100% 61.5/7.05×100

=8%

• Dividend covered=EPS/DPS 1.06/61.5

=0.02times

Long Term Solvency Ratios

- Gearing Ratio=debt/ equity

702,404/1,812,491

=0.38

- Fixed interest cover=profit before interest& tax/fixed interest 435,977/1,528,410

=0.28

- Total debt to shareholder fund= noncurrent liabilities +current liabilities/equity 275,539+20,651,849/1,812,491

=11.5

M. ZENITH BANK PLC

Short term/Liquidity Ratios

● Current Ratio=Current Assets/Current Liabilities

4,955,445/4,280,413 = 1.16:1

●Acid test ratio= Current Assets-inventory/Current Liabilities 4,955,445-0/4,280,413 = 1.16:1

Efficiency/Profitability Ratios

● ROCE= PBIT/Capital Employed x100%

Capital Employed= Total Asset-Current Liabilities

165,480/675,032 x100%=25%

●Expense Percentage= Individual Expense/ Total Expense x 100%

Interest Expense

Fee and Commission Expense

Administration Expense

Impairment loss

Depreciation

Operating Expense

Income Tax Expense

124,156/364,141x100%=34%

N.

56,657/364,141x100%=16%

15,313/364,141x100%=4%

16,812/364,141x100%=5%

124,576/364,141x100%=34%

26,627/364,141x100%=7%

Investors/Shareholder Ratios

●EPS= PAT-Preference dividend/ No of Ordinary Shares x 100

165,480/31,396 x100=527kobo

●Price Earnings Ratio= MPS/EPS 18.65/5.27=4years

●Earning Yield=EPS/MPS x 100% 5.27/18.65 x100%=28%

●Net Asset per Share=Net Asset- Preference share/ No of Ordinary Shares
4,955,445/31,396 =₦158

●Dividend Per Share=Gross Dividend/No of Ordinary Shares
15,698/31,396=₦0.5

●Dividend Payout Ratio=DPS/EPS x100% 50/527 x100%=9%

● Dividend Yield=DPS/MPSX100% 0.5/18.65 x100%=3%

●Dividend Covered= EPS/DPS 527/50=11times

Long Term Solvency Ratios

●Gearing Ratio=Debt/Equity 4,280,413/675,032,000=0.06

●Total Debt to Shareholder Fund=Non-Current liabilities+ Current liabilities/Equity
4,280,413/675,032,000=0.06