***FINANCIAL STATEMENT OF OIL AND GAS SECTOR***

***MOBIL OIL ANNUAL REPORT OF THE YEAR 2018***

*USING DIFFERENT ACCOUNTING RATIOS*

1. *PROFITABILITY RATIOS;*
2. *Return on capital Employed (ROCE): this is profit in relation to amount of capital invested or employed in the business.*

*ROCE=profit before interest and taxation X 100*

*Capital employed (share capital+ reserves + long term loans)*

*ROCE= 13,695,459 X 100*

 *194,678/2 +33,578,097*

 *=1,369,545,900*

*97,339 + 33,578,097*

*=1,369,545,900*

 *33,675,436*

*=40.66898792*

*=40.67*

*ai. Operating profit margin= profit after taxation X 100*

 *Revenue (sales)*

 *= 13,695,459 X 100*

 *164,609,535*

 *= 1,369,545,900*

 *164,609,535*

 *= 8.3199670*

 *= 8.32*

*b.Gross profit margin = gross profit X 100*

 *Revenue (sales)*

 *= 16,593,619 X 100*

 *164,609,535*

 *= 1,659,361,900*

 *164,609,535*

 *= 10. 08059406*

 *= 10.081*

1. ***Liquidity Ratios****; these ratios assess the liquidity position of a company.*
2. *Current ratio= current assets*

 *Current liabilities*

 *= 34,183,632*

 *19, 327,716*

 *= 1.768632776*

 *= 1.77*

1. *Acid-test ratio= current asset – inventories*

 *Current liabilities*

 *= 34,183,632- 17,918,599*

 *19,327,716*

 *= 16,265,033*

 *19,327,716*

 *= 0.8415*

 *= 0.84*

1. ***Working Capital Efficiency Ratio****; these measure the efficiency with which the entity has managed its receivables, inventory and trade payables. The ratios are usually measured in terms of average number of days.*
2. *Average collection period= trade receivables X 365 days*

 *Credit sales*

 *= 11,513,890 X 365*

 *136,502,026*

 *= 30.78*

1. ***nveIntory turnover period****= average inventory\2 X 365 days*

 *Cost of sales*

 *= 17,918,599\2 X 365*

 *148,015,916*

 *= 8,959,299.5 X 365*

 *148,015,916*

 *= 3,270,144,318*

 *148,015,916*

 *= 22.093*

1. ***Average payables period****= trade payables X 365days*

 *Cost of sales or cost of purchases*

 *= 8,212,101 X 365*

 *148,015,916*

 *= 2,997,416,865*

 *148,015,916*

 *= 20.250*

1. *Activity ratio; these ratios assess the efficient utilization of the company’s resources by its management.*
2. *Inventory turnover= cost of sales X 365 days*

 *Average inventory*

 *= 148,015,916 X 365*

 *17,918,599/2*

 *= 148,015,916 X 365*

 *8,959,299.5*

 *= 16.5209 X 365*

 *= 6,030*

***INTERPERTATION OF OANDO OIL ANNUAL REPORT FOR THE YEAR 2018***

1. *PROFITABILITY RATIO;*
2. *ROCE= Profit before interest and taxation X 100*

 *Capital employed*

 *= 25,816,827 X 100*

 *147,712,788*

 *= 2,581,682,700*

 *147,712,788*

 *= 17.477*

 *Ai. Operating profit margin = profit after interest and taxation X 100*

 *Revenue (sales)*

 *= 25,816,827 X 100*

 *679,465,339*

 *= 2,581,682,700*

 *679,465,339*

 *= 3.799*

1. *Gross margin= gross profit X 100*

 *Revenue*

 *= 96,273,953 X 100*

 *679,465,339*

 *= 9,627,395,300*

 *679,465,339*

 *= 14.16*

1. *LIQUIDITY RATIO*
2. *Current ratio= current assets*

 *Current liabilities*

 *= 164,402,215*

 *227,409,609*

 *= 0.722*

1. *Acid test ratio = current assets – inventories*

 *Current liabilities*

 *= 164,402,215 – 26,514,991*

 *227,409,609*

 *= 137,887,224*

 *227,409,609*

 *= 0.606*

1. *WORKING CAPITAL EFFICIENCY RATIO*
2. *Average collection period = trade receivables X 365 days*

 *Credit sales*

 *= 135,177,498 X 365*

 *448,013,888*

 *= 110.13*

1. ***Inventory turnover period*** *= Average inventory X 365 days*

 *Cost of sales*

 *= 26,514,991/2 X 365*

 *583,191,386*

 *= 13,257,495.5 X 365*

 *583,191,386*

 *= 4,838,985,858*

 *583,191,386*

 *= 8.29*

1. *Average payable period = trade payables X 365 days*

 *Cost of sales*

 *= 184,967,900 X 365*

 *583,191,386*

 *= 115.76*

1. *ACTIVITY RATIO*
2. *Inventory turnover = cost of sales X 365 days*

 *Average inventory*

 *= 583,191,386 X 365*

 *26,514,991/2*

 *= 583,191,386 X 365*

 *13,257,495.5*

 *= 43.989 X 365*

 *= 16,056*

1. *Assets turnover = revenue (sales)*

 *Total assets*

 *= 679,465,339*

 *236,366,708*

 *= 2.87*

***BASC MATERIAL SECTOR***

***PORT LAND PAINTS AND PRODUCTS NIGERIA PLC 2018***

1. *PROFITABILITY RATIO*
2. *ROCE = profit before taxation and interest X 100*

 *Capital employed*

 *= 523,407 X 100*

 *290,277*

 *= 52,340,700*

 *290,277*

 *= 180.312*

 *Ai. Operating profit = profit after interest and taxation X 100*

 *Revenue*

 *= 523,407 X 100*

 *2,829,262*

 *= 52,340,700*

 *2,829,262*

 *= 18.49*

1. *Gross margin = gross profit X 100*

 *Revenue (sales)*

 *= 1,075,290 X 100*

 *2,829,260*

 *= 107,529,000*

 *2,829,260*

 *= 38.01*

1. *LIQUIDITY RATIO*
2. *Current ratio = current ratio*

 *Current liabilities*

 *= 1,718,570*

 *700,439*

 *= 2.45*

1. *Acid-test-ratio = current asset – inventories*

 *Current liabilities*

 *= 1,718,570 – 728,047*

 *700,439*

 *= 990,523*

 *700,439*

 *= 1,414*

1. *WORKING CAPITAL EFFICIENCY RATIO*
2. *Average collection period = trade receivables X 365 days*

 *Credit sales*

 *= 476,180 X 365*

 *Credit sales*

 *= 173,805,700*

 *1,277,792*

 *= 136.02*

1. *Inventory turnover period = average inventory X 365 days*

 *Cost of sales*

 *= 728,047/2 X 365*

 *1,753,972*

 *= 364,023.5 X 365*

 *1,753,972*

 *= 132,868,577.5*

 *1,753,972*

 *= 75.75*

1. *Average payable period = trade payables X 365 days*

 *Cost of sales*

 *= 501,988 X 365*

 *1,753,972*

 *= 104.46*

1. *INVESTORS/ SHAREHOLDERS RATIO*
2. *Dividend per share = total dividend*

 *Number of shares*

 *= 39,671*

 *793,000,000*

 *= 0.00050026*

1. *Price earning per ratio = 2.80*

 *0.26*

 *= 10.76*

1. *Earnings yield = 0.26*

 *2.80*

 *= 0.0928*

1. *Dividend yield = 0.5*

 *= 0.17*

1. *ACTIVITY RATIO*
2. *Inventory turnover = cost of sales X 365*

 *Average inventory*

 *= 1,753,972 X 365*

 *728,047/2*

 *= 1,753,972 X 365*

 *364,023.5*

 *= 640,199,780*

 *364,023.5*

 *= 1,758.67*

1. *Asset turnover = revenue sales*

 *Total sales*

 *= 2,829,262*

 *2,251,468*

 *= 1.256*

***BOC GASES PRODUCT PLC 2018***

1. *PROFITABILITY RATIO*
2. *ROCE = 558,569 X 100*

 *349,476*

 *= 159.83*

1. *Operating profit = 558,569 X 100*

 *2,869,713*

 *= 19.46*

1. *Gross profit margin = 1,444,051 X 100*

 *2,869,213*

 *= 50.3*

1. *LIQUIDITY RATIO*
2. *Current ratio = 2,119,056*

 *1,298,954*

 *= 1.65*

1. *Acid test ratio = 2,119,056 - 156,404*

 *1,298,954*

 *= 1.51*

1. *WORKING CAPITAL EFFICIENCY RATIO*
2. *Average collection period = 425,776 X 365*

 *999,886*

 *= 155.4*

1. *Inventory turnover period = 156,404/2 X 365*

 *1,425,662*

 *= 20.02*

1. *Average payable period = 1,026,198 X 365*

 *1,425,662*

 *= 262.7*

1. *ACTIVITY RATIO*
2. *Inventory turnover = 1,425,662 X 365*

 *156,404/2*

 *= 6,654.13*

1. *Asset turnover = 2,869,713*

 *4,491,256*

 *= 0.63*

***TELECOMMUNICATIONS***

***CHAMS PLC 2018***

1. *PROFITABILITY*
2. *ROCE= 301,614 X 100*

 *2,348,030/2 + 145,522*

 *= 22.8*

1. *Operating profit = 380,148 X 100*

 *3,012,513*

 *= 12.618*

1. *Gross profit margin = 785,534 X 100*

 *3,012,513*

 *= 26.07*

1. *LIQUIDITY RATIO*
2. *Current ratio = 1,755,358*

 *3,560,169*

 *= 0.49*

1. *Acid test ratio = 1,755,358 – 247,780*

 *3,560,169*

 *= 0.42*

1. *WORKING CAPITAL EFFICIENCY RATIO*
2. *Average collection period = 1,396,054 X 365*

 *830, 925*

 *= 613.2*

1. *Inventory turnover period = 247,780 X 365*

 *2,226,979*

 *= 40. 61*

1. *Average payable period = 3,132,934 X 365*

 *2,226,979*

 *= 513.48*

1. *ACTIVITY RATIOS*
2. *Inventory turnovers = 2,226,979 X 365*

 *247,780/2*

 *= 6,561*

***CHAMS PLC 2017***

1. *PROFITABILITY RATIO*
2. *ROCE = 1,238,920 X 100*

 *2,348,030/2 + 145,522*

 *= 0.938*

1. *Operating profit margin = 380,148 X 100*

 *1,956,517*

 *= 19.429*

1. *Gross profit margin = 742,993 X 100*

 *1,956,517*

 *= 37.97*

1. *LIQUIDITY RATIO*
2. *Current ratios = 1,740,820*

 *4,132,750*

 *= 0.42*

1. *Acid test ratio = 1,740,820 – 469,538*

 *4,132,750*

 *= 0.307*

1. *WORKING CAPITAL EFFICIENCY RATIO*
2. *Average collection period = 1,086,988 X 365*

 *126,536*

 *= 3135.4*

1. *Inventory turnover period = 469,538 X 365*

 *1,213,524*

 *= 1,080.8*

1. *ACTIVITY RATIO*
2. *Inventory turnover = 1,956,517 X 365*

 *469,538/2*

 *= 3,041.8*

1. *Assets turnover = 1,956,517*

 *3,031,313*

 *= 0.645*

***CONSUMER GOODS***

***GUINNESS 2018***

1. *PROFITABILITY RATIO*
2. *ROCE = 9,943,164 X 100*

 *1,095,191/2 + 39,045,954*

 *= 25.1*

1. *Operating profit margin = 9,943,164 X 100*

 *142,975,792*

 *= 6.95*

1. *Gross profit margin = 48,625,405 X 100*

 *142,975,792*

 *= 34.01*

1. *LIQUIDITY RATIO*
2. *Current ratio = 54,610,047*

 *42,847,115*

 *= 1.27*

1. *Acid test ratio = 54,610,047 – 19,032,362*

 *42,847,115*

 *= 0.830*

1. *WORKING CAPITAL EFFICIENCY RATIO*
2. *Average collection period = 23,890,304 X 365*

 *70,460,083*

 *= 123.75*

1. *Inventory turnover period = 19,032,362/2 X 365*

 *94,350,387*

 *= 36.8*

1. *Average payable period = 31,175,725 X 365*

 *94,356,387*

 *= 120.6*

1. *ACTIVITY RATIO*
2. *Inventory turnover= 94,350,387 X 365*

 *19,032,362/2*

 *= 3,618.8*

1. *Asset turnover = 142,975,792*

 *153,254,968*

 *= 0.932*

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*MATRIC NO; 17/SMS02/054*

*COURSE; INTERMEDIATE FINACIAL ACCOUNTING*

*COURSE CODE; ACC302*

*AFE BABALOLA UNIVERSITY ADO EKITI*

*PRESENTED TO MR ADEKOYA, ADELEKE CLEMEN*

*BY OZIORO PREYE GIFT*

*NA*