

Liquidity report examples

[Business](#), [Company](#)



In terms of liquidity, the company records better results as compared to the industry. For instance, the company has a higher current, quick and turnover ratios, and even working capital ratios as compared to the industry.

Additionally, in all these ratios, the company seems to have surpassed the recommended economic threshold.

Profitability ratios

In all the available ratios, Apple seems to have materially better ratios than the industry. Both the return on assets, return on equity as well as the net profit margin indicates that the the company is performing much better than the industry.

This is mainly because of the fact that the company has already cut a competitive niche for herself in the industry as a tech giant, especially in the manufacture of Smartphones and other technology gadgets.

Capital structure analysis ratios

These are ratios that indicate how a company is geared, and particularly how much debt the company employs as compared to equity.

The ratios available indicate that the company employs on average, more debt than the industry average. This is however, not higher than the recommended threshold of 1: 1 so the company is still safe and is not at a risk of being insolvent even if the lenders demanded their contribution to the company.

Capital market analysis ratios

The company has posted better ratios in this category as compared to the industry. In fact, her return on assets is almost double the industry average.

This shows better utilization of assets in comparison to the industry

Interestingly, the company has a higher degree of financial leverage, in the year 2012 as compared to the industry, as evidence of her utilization of debt to generate revenues

References

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