

**Department of Business Management****ASSIGNMENT (Session 2023-24)****Subject- –Financial Statement Reporting and Analysis****Faculty Name-Prof. Kushal Dharmik****Semester-1st****Q1.From the following data, find out value of inventory as on 30.04.2009 using**

(a) LIFO method, and

(b) FIFO method:

(1) 01.04.2009 Purchased 10 units @ Rs. 70 per unit

(2) 06.04.2009 Sold 6 units @ Rs.90 per unit

(3) 09.04.2009 Purchased 20 units @ Rs. 75 per unit

(4) 18.04.2009 Sold14 units @ Rs. 100 per unit.

(CO- 01)**Q2. Given the Trial Balance and adjustments of a company as a manager of a Company you need to prepare the financial statement and also calculate firm's is gaining profit or loss for current the year for the year ended 31st March, 2012****Mehul Company Ltd.****Trial Balance as at 31st March, 2012**

Particulars	Amts	Particulars	Amts
Stock	68,000	Equity Shares Capital	2,50,000
Furniture & Fixtures	50,000	(Shares of Rs.10 each)	50,000
Discount	4,000	11% Debentures	64,500
Loan to Directors	8,000	Bank Loans	12,500
Advertisement	2,000	Bills Payable	15,600
Bad Debts	3,500	Creditors	4,26,800
Commission	12,000	Sales	4,600
Purchases	2,31,900	Rent Received	1,000
Plant and Machinery	86,000	Transfer Fees	13,900
Rentals	2,500	Profit & Loss	14,600
Current Account	4,500	Appropriation	
Cash	800	Account	
Interest on Bank Loan	11,600	Provision for Depreciation	
Preliminary Expenses	1,000	on	
Wages	90,000	Plant & Machinery	
Consumables	8,400		
Freehold Land	1,54,600		
Tools and Equipment	24,500		
Goodwill	26,500		
Debtors	28,700		
Bills Receivables	15,300		
Dealer Aids	2,100		
Transit Insurance	3,000		
Trade Expenses	7,200		
Distribution Freight	5,400		
Debentures Interest	2,000		
	8,53,500		8,53,500

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Closing stock as on 31st march, 2012, 82,300 –

Depreciation on furniture & fixtures @5%,

Freehold land @2% and Tools and Equipment @5% to be provided.

(CO- 02)**Q3. From the following Balance Sheets of M/s KTI Ltd., Prepare cash flow statement and also evaluate the financial performance:****Balance Sheet As at 31.03.2018 and 31.03.2017**

Particulars	Note No	31.03.2018	31.03.2017
I. Equity and Liability:		Amount	Amount
(1) Shareholders Fund:			
(a) Share Capital	1	1,00,000	80,000
(b) Reserve and Surplus		6,400	6,000
(2) Non-Current Liabilities			
Long-Term Borrowings	2	14,000	12,000
(3) Current Liabilities			
a) Short- Term Borrowings	3	13,600	25,000
b) Trade Payables		20,000	24,000
c) Short- Term Provision	4	20,000	16,000
d) Other Current Liabilities	5	2,000	-
Total		1,76,000	1,63,000
II. Assets:			
(1) Non- Current Assets.			
Fixed Assets	6	50,000	60,000
(2) Current Assets:			
a) Inventories		70,000	60,000
b) Other Current Liabilities		48,000	40,000
c) Cash & Cash Equivalents		7,000	2,400
d) Prepaid Expenses		1,000	600
Total		1,76,000	1,63,000

Notes:

Note No	Particulars	31.03.2018 Amounts	31.03.2017 Amounts
1	Reserve & Surplus:		
	General Reserve	4,000	4,000
	Profit & Loss Balance	2,400	2,000
	Total	6,400	6,000
2	Long Term Borrowing :		
	15% Debenture	14,000	12,000
	Total	14,000	12,000
3	Short Term Borrowing :		
	Cash Credit	13,600	25,000
	Total	13,600	25,000
3	Short Term Provisions:		
	Provision for Taxation	8,400	6,000
	Proposed Dividend	11,600	10,000

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	Total	20,000	16,000
	Other Current Liabilities :		
	Dividend Payable	2,000	-
4	Fixed Assets :	80,000	82,000
	Less :- Accumulated Depreciation	30,000	22,000
	Total	50,000	60,000

Q3. Additional Information:-

- a) Provision for tax made Rs 9,400
b) Fixed Asset sold for Rs 10,000, their cost Rs 20,000 and accumulated depreciation till date of sale is Rs 6,000
c) An interim dividend paid during the year Rs 9,000

(CO- 03)**Q4. The Balance Sheet of M/s ABC Ltd. is given below****Balance Sheet as on 31 March 2019**

Sr No.	Particulars	Rs.	Rs.
I.	Equity and Liabilities		
1	Shareholders' Funds:-		
	Equity Share Capital		24,00,000
2	Share Application Money Pending Allotment		
3	Non -Current Liabilities		
	10% Debenture		4,60,000
4	Current Liabilities		
	Sundry Creditors	4,00,000	
	Bills Payable	3,70,000	
	Other Current Liabilities	2,20,000	19,80,000
	Total Equity And Liabilities		38,50,000
II	Assets		
5	Non-Current Assets		
	Fixed Assets		12,10,000
6	Current Assets		
	Cash	4,40,000	
	Sundry Debtors	5,50,000	
	Closing Inventory	16,50,000	26,40,000
	Total Assets		38,50,000

The summarized information of profit & loss for the year ended 31 March 2019 is given below:-

Sales	55,00,000
Less Cost Of Goods Sold	40,59,000
Gross profit	14,41,000
Less Selling & Distribution And Admin Exp.	11,64,000
Earnings Before Interest And Tax	2,77,000
Less interest	46,000
	2,31,000
Less Tax	1,15,000
Net Profit Available For Distribution	1,15,000

You are required to calculate the following ratios and compare the same with the given industry average and comment on the strengths and weakness of M/s ABC Ltd. You may make relevant assumption for the purpose of your comments.
(CO- 04)

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Q.4

Ratio to be considered	Industry Average
Current ratio	2.5
Debtors turnover ratio	8.0
Sales/stock (stock turnover ratio)	10.0
Sales/total assets (total assets turnover ratio)	2.0
Net profit as % of sales	3%
Net profit as of total assets	7%
Net profit as % of net worth	10%
Total debts as 5 of total assets	60%

Q5. The Balance Sheets of Sunny & Co. and Honey & Co. are given as follows:

BALANCE SHEET As on 31st December 2018

	Sunny & Co.	Honey & Co.
LIABILITIES	Rs	Rs
Preference Share Capital	1,20,000	1,60,000
Equity Share Capital	1,50,000	4,00,000
Reserve & Surplus	14,000	18,000
Long –Term Loans	1,15,000	1,30,000
Bills Payable	2000	-
Sundry Creditors	12,000	4,000
Outstanding Expenses	15,000	6,000
Proposed Dividend	10,000	90,000
	4,38,000	8,08,000
ASSETS	Rs	Rs
Land & Building	80,000	1,23,000
Plant & Machinery	3,34,000	6,00,000
Short Term Investment	1,000	40,000
Inventories	10,000	25,000
Book Debts	4,000	8,000
Prepaid Expenses	1,000	2,000
Cash & Bank Balance	8,000	10,000
	4,38,000	8,08,000

Compare the Financial Position of Two companies with the help of Common Size Balance Sheet and Comment on their financial performance (CO- 05)

*****THE END*****

Last date of submission of Assignment is **04th Oct 2023.**

- Assignment should be hand written & Physical/ hard copy is required to submit.
- Attempt all the questions and submit assignment to the respected Faculty Member on or before Due date.
- If any problem/ query related assignment call or meet Prof. Amir Khan
- Assignment should be written in A4 size Paper & Submit in Plastic Folder File.