

CLASS: XI	INDIAN SCHOOL MUSCAT SECOND PERIODIC TEST					SUBJECT: ENTREPRE URSHIP	
	SET - A						
QP.NO.	VALUE POINTS					SPLIT UP MARKS	
1.	Owner’s equity, loan received, sales receipts, interest earned, rent received, sale of assets, claims received etc.					Any two (½+½=1 mark)	
2.	Start-up cost: Is the cost incurred initially a business is started. It consists of expenses for acquiring assets as well as for acquiring initial raw material and other related items of initial expenses, till such time the cash flow from business can provide for these.					1 mark	
3.	Fixed cost: Fixed costs are the costs which are not affected by changing sales volume. It is dependent on the level of output. Variable cost: Variable costs are those which vary as a total cost to the organization when output varies.					(1+1=2 marks)	
4.	Break-even point is the amount or level of sales or revenues that it must generate in order to equal its expenses. It is the point at which the company neither makes a profit nor suffers a loss. B.E.P = Fixed cost/Gross margin per unit B.E.P= 40,000/(20-12) = Rs.5,000.					(1+1+1=3 marks)	
5.	Gross profit: Excess of unit price over unit cost is known as gross profit or unit gross margin. It represents the business’s profit from selling a product or providing service before deducting fixed expenses such as salaries, rent and other expenses. Gross Profit= Sales-cost of goods sold, = (18,000x50)- (10,000x50) = 9,00,000-5,00,000=4,00,000 Profit before tax=4,00,000-50,000 =3,50,000					(1+1+1=3 marks)	
6.	Cash Register					(1/4 X each transaction + ¼ for format= 4 marks)	
	Date	Particulars	Ref. No.	Cash received	Cash paid		Cash balance
	Jan 1	Op. balance					1,00,000
	2	Pur. Of pens			4,000		96,000
	5	Pur. Of furniture			2,000		94,000
	10	Pur. Of sketch pens			3,000		91,000
	12	Sale of pen		4,000			95,000
	15	Deposit into bank			10,000		85,000
	18	Received from Tameem		900			85,900
	20	Wages			1,000	84,900	
7.	Cash flow projection statement					(1/4 X each entry= 6 marks)	
	Months	Month 0	Month 1	Month 2			
	Cash inflow:						
	Owner’s equity	5,00,000					
	Loan from bank	10,00,000					
	Cash sales		1,60,000	2,20,000			
	Credit sales			40,000			
	Total inflow	15,00,000	1,60,000	2,60,000			
	Cash outflow						
	Assets	1,00,000					

	Raw materials	1,00,000	1,25,000	1,40,000	
	Salary		10,000	10,000	
	Sales commission		20,000	25,000	
	<b>Total outflow</b>	<b>2,00,000</b>	<b>1,55,000</b>	<b>1,75,000</b>	
	<b>Surplus/ deficit</b>	<b>13,00,000</b>	<b>5,000</b>	<b>85,000</b>	
	<b>Cumulative surplus/deficit</b>	<b>13,00,000</b>	<b>13,05,000</b>	<b>13,90,000</b>	
	<b>END</b>				