

Roll Number		
--------------------	--	--

B



INDIAN SCHOOL MUSCAT SECOND PERIODIC TEST

ENTREPRENEURSHIP

CLASS: XI

Sub. Code: 066

Time Allotted: 50 mts

08.01.2019

Max. Marks: 20

GENERAL INSTRUCTIONS:

1. All questions are compulsory.
2. There are total 7 questions in all.
3. Marks for each question are indicated against it.
4. 2 marks question is to be answered in 30 words.
6. 3 marks questions are to be answered in 60 words each.
7. 4 marks question is to be answered in 70 words.
8. 6 marks question is to be answered in 100 words.

- | | | |
|----|--|---|
| 1. | Give two examples for outflow of cash for a business. | 1 |
| 2. | What do you mean by variable cost? | 1 |
| 3. | Differentiate between start-up cost and operational cost. | 2 |
| 4. | Explain break-even point. Give the formula for the calculation of break-even point. Calculate break-even point from the following details:
A business can sell its product at a price of Rs.40 and the variable cost is 35 per unit. The total of fixed costs for the period amounted to Rs. 50,000. | 3 |
| 5. | What do you mean by gross profit? Anil purchased 25 books @ Rs.200 each. He could sell all the books @ Rs.300 each. He paid Rs. 500 for rent. Calculate the Gross Profit and profit before tax for Anil's business. | 3 |
| 6. | Mr. Rajkumar had a cash balance of Rs. 1,00,000 on 1 January, 2018 in his readymade garment shop. Other transactions for January are:

<div style="margin-left: 20px;"> (1) January 2, Purchase of 20 shirts @ Rs. 500 each.
 (2) January, 5 Purchased furniture for business Rs. 2,000.
 (3) January 10, Purchased 30 shirts @ Rs. 600 each on credit and 20 shirts @ Rs.500 each for cash.
 (4) January 12, Sold 25 shirts @ Rs. 1,000 for cash and 10 shirts @ Rs.1,200 on credit to Mr. Tameem.
 (5) January 15, Deposited Rs. 20,000 into bank.
 (6) January 18, Received Rs. 12,000 from Mr.Tameem.
 (7) January 20, Paid wages Rs 1,000. </div> | 4 |

Prepare Cash book with cash transactions only.

- | | | |
|----|--|---|
| 7. | Mr. Anil is planning to start a shop selling tyres with a capital of Rs.2,00,000. He can borrow a loan of Rs. 5,00,000 from his friend. The initial expenses for the setting up office will be Rs. 70,000. | 6 |
|----|--|---|

The tyres can be purchased @ Rs. 1,000 per tyre and it can be sold at Rs. 2,000 per tyre. The staffs will be paid a salary of 10,000 per month. The commission on sales to staffs is 10% on sales.

The supplier sends goods once in a month. Mr. Anil calculates that the tyres can be sold in the following month of its purchase. Money from credit sales will be received in the following month. The fixed costs start only from the first month of starting its operations.

Projected sales for 3 months

Month	1	2	3
Total tyres sold	120	100	110
Cash sales of tyres	90	80	90
Credit sales of tyres	30	20	20
Cash sales Rs.	1,80,000	1,60,000	1,80,000
Credit sales Rs.	60,000	40,000	40,000

Prepare a Cash flow projection statement for 2 months. (month 0, 1 and 2)

End of the Question Paper