



INDIAN SCHOOL MUSCAT

Senior Section

Department of Commerce and Humanities

Class : 12

ACCOUNTANCY PRACTICAL -2020-2021

Reference:

Worksheet-No 01

T.S.Grewal / NCERT

Date of issue

ACCOUNTANCY (055)

Date of submission

-----2021

PRACTICAL WORKSHEET

-----2021

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Q1.	<p>The Second Quarter Report of a company gives following information about Segment Performance</p> <table border="1" data-bbox="574 846 1094 974"> <thead> <tr> <th>Segment</th> <th>Sales</th> <th>Net Profit</th> </tr> </thead> <tbody> <tr> <td>Clothes</td> <td>10,00,000</td> <td>40,000</td> </tr> <tr> <td>Machines</td> <td>30,00,000</td> <td>160,000</td> </tr> <tr> <td>Footwear</td> <td>16,00,000</td> <td>60,000</td> </tr> </tbody> </table> <p>Use Ratio Analysis, comment on the following: (i) Which is the best segment? (ii) If the company has to discontinue one segment, which segment should be discontinued?</p>	Segment	Sales	Net Profit	Clothes	10,00,000	40,000	Machines	30,00,000	160,000	Footwear	16,00,000	60,000	4																								
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2	<p>The Second Quarter Report of a company gives following information about Segment Performance</p> <table border="1" data-bbox="331 1556 1338 1684"> <thead> <tr> <th>Segment</th> <th>Sales</th> <th>Net Profit</th> </tr> </thead> <tbody> <tr> <td>Water Purifier</td> <td>20,00,000</td> <td>40,000</td> </tr> <tr> <td>Air Purifier</td> <td>30,00,000</td> <td>80,000</td> </tr> <tr> <td>Fashion Accessories</td> <td>40,00,000</td> <td>60,000</td> </tr> </tbody> </table> <p>Use Ratio Analysis, comment on the following: (i) Which is the best segment? (ii) If the company has to discontinue one segment, which segment should be discontinued?</p>	Segment	Sales	Net Profit	Water Purifier	20,00,000	40,000	Air Purifier	30,00,000	80,000	Fashion Accessories	40,00,000	60,000	4																								
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Ans 2	For water Purifier				4
	Net Profit Ratio	Net Profit After Tax X 100 Revenue from Operation	$\frac{₹40,000 \times 100}{₹20,00,000}$	= 2%	
	For Air Purifier				
	Net Profit Ratio	Net Profit After Tax X 100 Revenue from Operation	$\frac{₹80,000 \times 100}{₹30,00,000}$	=2.67%	
Ans 3	For Fashion Accessories				4
	Net Profit Ratio	Net Profit After Tax X 100 Revenue from Operation	$\frac{₹60,000 \times 100}{₹40,00,000}$	=1.50%	
	I. Air Purifier is the best segment as it gives higher net profit of 2.67% as compared to other two segments.				
	II. Fashion Accessories should be discontinued as it gives lower net profit of 1.50% as compared to other two segments.				
Q3	The quarterly report of a company gives the following information about its sales revenue and net profit for the fourth quarter of the current year and fourth quarter of the previous year:				4
Particulars		Fourth quarter of 2020- 2021	Fourth quarter of 2019- 2020		
Revenue from operation		8,00,000	6,50,000		
Net Profit After Tax		1,90,000	1,50,000		
Comment using ratio as tools of your analysis.					
I. Which quarter is performing better?					
II. Has the performance improved?					
Ans 3	Net Profit Ratio of 4 th quarter of 2020-2021				4
	Net Profit Ratio	Net Profit After Tax X 100 Revenue from Operation	$\frac{₹190,000 \times 100}{₹8,00,000}$	= 23.75%	
	Net Profit Ratio of 4 th quarter of 2019-2020				
	Net Profit Ratio	Net Profit After Tax X 100 Revenue from Operation	$\frac{₹1,50,000 \times 100}{₹6,50,000}$	=23.08%	
i. Current quarter 2015-2016 has performed better					
ii. The performance has improved marginally from 23.08% to 23.75%.					
Q4	The quarterly report of a company gives the following information about its sales revenue and net profit for the second quarter of the current year and fourth quarter of the previous year:				4
Particulars		Second quarter of 2020- 2021	Second quarter of 2019- 2020		
Revenue from operation		16,00,000	13,00,000		
Net Profit After Tax		4,00,000	3,00,000		
Comment using ratio as tools of your analysis.					
I. Which quarter is performing better?					
II. Has the performance improved?					
Ans 4	Net Profit Ratio of 2 th quarter of 2020-2021				4
	Net Profit Ratio	Net Profit After Tax X 100 Revenue from Operation	$\frac{₹400,000 \times 100}{₹16,00,000}$	= 25.00%	
	Net Profit Ratio of 2 th quarter of 2019-2020				
	Net Profit Ratio	Net Profit After Tax X 100 Revenue from Operation	$\frac{₹3,00,000 \times 100}{₹1300,000}$	=23.08%	
i. Current quarter 2015-2016 performance has been improved.					
ii. The performance has improved from 23.08% to 25.00%.					
Q5	From the following particulars regarding credit sales of 2020 and 2021, is it correct to say that cash inflow, i.e., collection from debtors has improved in the year 2021?				4
Particulars		2020	2021		
Opening Balance of Trade Receivables		50,000	24,000		
Closing Balance of Trade Receivables		24,000	60,000		
Credit Sales		2,40,000	4,80,000		
Ans 5	For the year ended 2020				4
Trade Receivable Ratio = $\frac{\text{Credit revenue from operation}}{\text{Average Trade Receivables}} = \frac{2,40,000}{37,000} = 6.49 \text{ Times}$					

	<p>For the year ended 2021</p> <p>Trade Receivable Ratio = $\frac{\text{Credit revenue from operation}}{\text{Average Trade Receivables}} = \frac{4,80,000}{42,000} = 11.43$ Times</p> <p>Yes, it is correct to say that the cash inflow, i.e., collection from debtors has improved in the year 2021 as compared to 2020.</p>													
Q6	<p>From the following particulars regarding credit sales of 2020 and 2021, is it correct to say that cash inflow, i.e., collection from debtors has improved in the year 2021?</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>Opening Balance of Trade Receivables</td> <td>100,000</td> <td>48,000</td> </tr> <tr> <td>Closing Balance of Trade Receivables</td> <td>48,000</td> <td>1,20,000</td> </tr> <tr> <td>Credit Sales</td> <td>4,80,000</td> <td>9,60,000</td> </tr> </tbody> </table>	Particulars	2020	2021	Opening Balance of Trade Receivables	100,000	48,000	Closing Balance of Trade Receivables	48,000	1,20,000	Credit Sales	4,80,000	9,60,000	4
Particulars	2020	2021												
Opening Balance of Trade Receivables	100,000	48,000												
Closing Balance of Trade Receivables	48,000	1,20,000												
Credit Sales	4,80,000	9,60,000												
Ans 6	<p>For the year ended 2020</p> <p>Trade Receivable Ratio = $\frac{\text{Credit revenue from operation}}{\text{Average Trade Receivables}} = \frac{4,80,000}{74,000} = 6.49$ Times</p> <p>For the year ended 2021</p> <p>Trade Receivable Ratio = $\frac{\text{Credit revenue from operation}}{\text{Average Trade Receivables}} = \frac{9,60,000}{84,000} = 11.43$ Times</p> <p>Yes, it is correct to say that the cash inflow, i.e., collection from debtors has improved in the year 2017 as compared to 2016.</p>	4												
Q7	<p>From the following particulars regarding credit sales of 2020 and 2021, is it correct to say that cash inflow, i.e., collection from debtors has improved in the year 2021?</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>Opening Balance of Trade Receivables</td> <td>50,000</td> <td>2,00,000</td> </tr> <tr> <td>Closing Balance of Trade Receivables</td> <td>150,000</td> <td>4,00,000</td> </tr> <tr> <td>Credit Sales</td> <td>4,00,000</td> <td>15,00,000</td> </tr> </tbody> </table>	Particulars	2020	2021	Opening Balance of Trade Receivables	50,000	2,00,000	Closing Balance of Trade Receivables	150,000	4,00,000	Credit Sales	4,00,000	15,00,000	4
Particulars	2020	2021												
Opening Balance of Trade Receivables	50,000	2,00,000												
Closing Balance of Trade Receivables	150,000	4,00,000												
Credit Sales	4,00,000	15,00,000												
Ans 7	<p>For the year ended 2020</p> <p>Trade Receivable Ratio = $\frac{\text{Credit revenue from operation}}{\text{Average Trade Receivables}} = \frac{4,00,000}{100,000} = 4$ Times</p> <p>For the year ended 2021</p> <p>Trade Receivable Ratio = $\frac{\text{Credit revenue from operation}}{\text{Average Trade Receivables}} = \frac{15,00,000}{3,00,000} = 5$ Times</p> <p>Yes, it is correct to say that the cash inflow, i.e., collection from debtors has improved in the year 2020 as compared to 2021.</p>	4												
Q8	<p>From the following particulars regarding credit sales of 2020 and 2021, is it correct to say that cash inflow, i.e., collection from debtors has improved in the year 2021?</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>Opening Balance of Trade Receivables</td> <td>25,000</td> <td>1,00,000</td> </tr> <tr> <td>Closing Balance of Trade Receivables</td> <td>75,000</td> <td>2,00,000</td> </tr> <tr> <td>Credit Sales</td> <td>2,00,000</td> <td>7,50,000</td> </tr> </tbody> </table>	Particulars	2020	2021	Opening Balance of Trade Receivables	25,000	1,00,000	Closing Balance of Trade Receivables	75,000	2,00,000	Credit Sales	2,00,000	7,50,000	4
Particulars	2020	2021												
Opening Balance of Trade Receivables	25,000	1,00,000												
Closing Balance of Trade Receivables	75,000	2,00,000												
Credit Sales	2,00,000	7,50,000												
Ans 8	<p>For the year ended 2020</p> <p>Trade Receivable Ratio = $\frac{\text{Credit revenue from operation}}{\text{Average Trade Receivables}} = \frac{2,00,000}{50,000} = 4$ Times</p> <p>For the year ended 2021</p> <p>Trade Receivable Ratio = $\frac{\text{Credit revenue from operation}}{\text{Average Trade Receivables}} = \frac{7,50,000}{150,000} = 5$ Times</p> <p>Yes, it is correct to say that the cash inflow, i.e., collection from debtors has improved in the year 2021 as compared to 2020.</p>	4												
Q9	<p>Ramesh started a business by taking loan of ₹ 20,00,000 from bank at 10% interest. He bought building for ₹ 15,00,000. Profit earned during the year is ₹ 8,00,000. Calculate the cash flow from various activities</p>	4												

Ans	(A)	Cash flow From Operating Activities	₹	₹	4
		Net profit before Tax and Extraordinary items	8,00,000		
		Add: Non Cash/Non Operating Expense (Interest on Bank Loan)	2,00,000		
	Net Cash Flow From Operating Activities		10,00,000		
	(B)	Cash flow From Investing Activities			
		Purchase of Building	(15,00,000)		
		Net Cash used in Investing Activities		(15,00,000)	
	(C)	Cash flow From Financing Activities			
		Cash Proceed from loan from Bank	20,00,000		
		Interest paid on Bank Loan	(2,00,000)		
Net Cash Flow From Financing Activities			18,00,000		
		Net Increase in Cash and Cash Equivalents		13,00,000	
Q 10	Raveena started a business by taking loan of ₹ 40,00,000 from bank at 10% interest. He bought building for ₹ 30,00,000. Profit earned during the year is ₹ 1600,000. Calculate the cash flow from various activities.				4
Ans 10	(A)	Cash flow From Operating Activities	₹	₹	
		Net profit before Tax and Extraordinary items	16,00,000		
		Add: Non Cash/Non Operating Expense (Interest on Bank Loan)	4,00,000		
	Net Cash Flow From Operating Activities		20,00,000		
	(B)	Cash flow From Investing Activities			
		Purchase of Building	(30,00,000)		
		Net Cash Flow used in Investing Activities		(30,00,000)	
	(C)	Cash flow From Financing Activities			
		Cash Proceed from loan from Bank	40,00,000		
		Interest paid on Bank Loan	(4,00,000)		
Net Cash Flow From Financing Activities			36,00,000		
		Net Increase in Cash and Cash Equivalents		26,00,000	
Q 11	Shyam was good at making designs. He started making designer garments. He Bought a sewing machine for ₹50,000,spent ₹2,00,000 on its renewal and purchased fabric for ₹ 5,00,000. Find out net cash flow from investing and operating activities.				4
Ans 11	(A)	Cash flow From Operating Activities	₹	₹	4
		Cost of material consumed	(5,00,000)		
		Net Cash used in Operating Activities		(5,00,000)	
	(B)	Cash flow From Investing Activities			
		Purchase of Tangible fixed assets(50,000+2,00,000)	(2,50,000)		
		Net Cash used in Investing Activities		(2,50,000)	
Q 12	Ali was good at making designs. He started making designer garments. He Bought a sewing machine for ₹100,000 spent ₹4,00,000 on its renewal and purchased fabric for ₹ 10,00,000. Find out net cash flow from investing and operating activities				4
Ans 12	(A)	Cash flow From Operating Activities	₹	₹	4
		Cost of material consumed	(10,00,000)		
		Net Cash used in Operating Activities		(10,00,000)	
	(B)	Cash flow From Investing Activities			
		Purchase of Tangible fixed assets(100,000+4,00,000)	(5,00,000)		
		Net Cash used in Investing Activities		(5,00,000)	
