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Definition A comparative statement is a financial statement that presents figures for multiple reporting periods side-by-side, enabling easier performance comparisons by investors. A comparative statement is a document used to compare a particular financial statement with prior period statements. Previous financials are presented alongside the latest figures in side-by-side columns, enabling investors to identify trends, track a company's progress and compare it with industry rivals. Analysts, investors, and business managers use a company's income statement, balance sheet, and cash flow statement for comparative purposes. They want to see how much is spent chasing revenues from one period to the next and how items on the balance sheet and the movements of cash vary over time. Investopedia / Jessica Olah Comparative statements show the effect of business decisions on a company's bottom line. Trends are identified and the performance of managers, new lines of business and new products can be evaluated, without having to flip through individual financial statements. Comparative statements can also be used to compare different companies, assuming that they follow the same accounting principles. For example, they can show how different businesses operating in the same industry react to market conditions. Reporting just the latest dollar amounts makes it hard to compare the performances of companies of various sizes. Adding prior period figures, complete with percentage changes, helps to eliminate this problem. The Securities and Exchange Commission (SEC) requires public companies to publish comparative statements in 10-K and 10-Q reports. A comparative statement is a document that compares a particular financial statement with prior period statements.Previous financials are presented alongside the latest figures in side-by-side columns, enabling investors to easily track a company's progress and compare it with peers.The Securities and Exchange Commission (SEC) requires public companies to publish comparative statements in 10-K and 10-Q reports. Every business must generate sufficient cash inflows to pay for operations. For example, managers may compare the ending balance in cash each month over the past two years to determine if the ending cash balance is increasing or declining. If company sales are growing, the manufacturer requires more cash to operate each month, which is reflected in the ending cash balance. A downward trend in the ending cash balance means that the accounts receivable balance is growing and that the firm needs to take steps to collect cash faster. A percentage of sales presentation is often used to generate comparative financial statements for the income statement — the area of a financial statement dedicated to a company's revenues and expenses. Presenting each revenue and expense category as a percentage of sales makes it easier to compare periods and assess company performance. Assume, for example, that a manufacturer's cost of goods sold (COGS) increases from 30% of sales to 45% of sales over three years. Management can use that data to make changes, such as finding more competitive pricing for materials or training employees to lower labor costs. On the other hand, an analyst may see the cost of sales trend and conclude that the higher costs make the company less attractive to investors. Comparative statements are less reliable when companies undergo huge changes. A big acquisition and move into new end markets can transform businesses, making them different entities from previous reporting periods. For example, if Company A acquires Company B it may report a sudden sharp jump in sales to account for all the extra revenues that Company B generates. At the same time, profit margins might tighten at an alarming rate because Company B has a less lean manufacturing process, spending more money to produce the goods it sells. Skip to content Read below DK Goel Solutions for Class 12 Chapter 3 Tools for Financial Analysis. These solutions have been designed based on the latest Class 12 DK Goel Accountancy book used by commerce stream students issued for the current year and the questions given in each chapter. Post issue of financial statements we have to analyze the financial statements that they can be properly understood. there are various types of tools available for financial analysis. In this chapter, the students will understand these tools and how to use them for the analysis of financial statements. this is a very important chapter as this will help them in future when they are self analysing the statements or even if they are appearing in various kind of competitive exams. The chapter contains a lot of questions which can be very helpful for Class 12 commerce students of Accountancy and will also help build strong concepts which will be really helpful in your career. These solutions are free and will help you to prepare for Class 12 Accountancy. Just scroll down and read through the answers provided below Short Answer Questions Question 1. Solution 1. If figures from financial accounts are put side-by-side for two or more years to allow comparison, they are considered 'comparative financial statements.' In such a statement, development numbers, sales from activities, costs, earnings, etc. are set side by side to draw conclusions regarding the company's profitability and financial wellbeing. It also reveals the direction of transition as well as the enterprise's high points and weak points. Question 2. Solution 2. The balance sheet in a particular year displays only the balance of accounts at a given date, while the comparative balance sheet shows not only the balance of accounts at various times, but also the degree of rise or decline of different balance sheet items.There are five columns in the form of a comparable balance sheet. The Balance Sheet elements are listed in the first column. The date for the previous year is highlighted in the second column, and the date for the present year is shown in the third column. In terms of rupee numbers, the increases or decreases in absolute data are seen in the fourth section. The fifth column displays the percentage in absolute data of rise or decline. Question 3. Solution 3. The Benefit and Loss Statement indicates the net profit or net loss for the year. The net results over a period of years are indicated by a comparative statement of benefit and loss, such that shifts in absolute data in terms of money as well as figures can be understood. The comparative benefit and loss statement contains the following information:i. Increase or decrease in revenue from operations.ii. Increase or decrease in cost of materials consumed.iii. Increase or decrease in incomes and expenses.iv. Increase of decrease in net profit.The type of comparative benefit and loss statement also consists of five columns. Things from the Benefit & Loss statement are shown in the first column. The data for the previous year is displayed in the second column, and the date for the present year is shown in the third column. In terms of rupee numbers, the rise or decrease in absolute data is seen in the fourth column. Question 4. Solution 4. Question 5. Solution 5 Question 6. Solution 6 Numerical Questions Question 1. Solution 1: Working Notes:-Computation of Percentage Change:-1.) Changes in Share Capital = Current Share Capital – Previous Share CapitalChanges in Share Capital = Rs. 8,00,000 – Rs .5,00,000Changes in Share Capital = Rs. 3,00,000 Share Capital = (Changes in Share Capital)/(Base year Capital) × 100Share Capital = 3,00,000/5,00,000 × 100 = 60% 2.) Changes in Long-term Borrowings = Current Long-term Borrowings – Previous Long-term BorrowingsChanges in Long-term Borrowings = Rs. 8,00,000 – Rs .5,00,000Changes in Long-term Borrowings = Rs. 3,00,000Long-term Borrowings = (Changes in Long-term Borrowing)/(Base year Long-term Borrowing) × 100Long-term Borrowings = 1,00,000/3,00,000 × 100 = 33.33% Question 2. Solution 2 Working Notes:-Computation of Percentage Change:-1.) Changes in Share Capital = Current Share Capital – Previous Share CapitalChanges in Share Capital = 25 – 20Changes in Share Capital = 5Share Capital = (Changes in Share Capital)/(Base year Capital) × 100Share Capital = 5/20×100 = 25% 2.) Changes in Reserve and Surplus = Current Reserve and Surplus – Previous Reserve and SurplusChanges in Reserve and Surplus = 40 – 36Changes in Reserve and Surplus = 4 Reserve and Surplus = (Changes in Reserve and Surplus)/(Base year Reserve and Surplus) × 100Reserve and Surplus = 4/36 ×100 = 11.11% 3.) Changes in Long-term Borrowings = Current Long-term Borrowings – Previous Long-term BorrowingsChanges in Long-term Borrowings = 12 – 9Changes in Long-term Borrowings = 3 Long-term Borrowings = (Changes in Long-term Borrowing)/(Base year Long-term Borrowing) × 100Long-term Borrowings = 3/9×100 = 33.33% Question 3. Solution 3 Working Notes:-Computation of Percentage Change:-1.) Changes in Share Capital = Current Share Capital – Previous Share CapitalChanges in Share Capital = 375 – 400Changes in Share Capital = -25Share Capital = (Changes in Share Capital)/(Base year Capital) × 100Share Capital = (-25)/400×100 = -6.25% 2.) Changes in Reserve and Surplus = Current Reserve and Surplus – Previous Reserve and SurplusChanges in Reserve and Surplus = 72 – 60Changes in Reserve and Surplus = 12Reserve and Surplus = (Changes in Reserve and Surplus)/(Base year Reserve and Surplus) × 100Reserve and Surplus = 12/60 ×100 = 20% 3.) Changes in Long-term Borrowings = Current Long-term Borrowings – Previous Long-term BorrowingsChanges in Long-term Borrowings = 150 – 90Changes in Long-term Borrowings = 60 Long-term Borrowings = (Changes in Long-term Borrowing)/(Base year Long-term Borrowing) × 100Long-term Borrowings = 60/90×100 = 66.67% Question 4. Solution 4 Working Notes:-Computation of Percentage Change:-1.) Changes in Revenue from Operations = Current Revenue from Operations – Previous Revenue from OperationsChanges in Revenue from Operations = Rs. 15,00,000 – Rs. 18,00,000Changes in Revenue from Operations = Rs. 3,00,000 Revenue from Operations = (Changes in Revenue from Operations)/(Base Revenue from Operations)×100Revenue from Operations = 3,00,000/15,00,000 ×100 = 20% 2.) Changes in Total Revenue = Current Total Revenue – Previous Total RevenueChanges in Total Revenue = Rs. 18,60,000 – Rs. 15,30,000Changes in Total Revenue = Rs. 3,30,000 Total Revenue = (Changes in Total Revenue)/(Base year Total Revenue)×100Total Revenue = 3,30,000/15,30,000 ×100 = 21.57% Question 5. Solution 5 Point for Students:-In order to estimate the future progress of a firm, it is necessary to look into its past performance. For this purpose, it becomes essential to make comparative study of its financial statements for two or more years.When financial statements figures for two or more years are placed side-by-side to facilitate comparison, these are called 'Comparative Financial Statements'. Question 6. Point for Students:-The comparative benefit and loss statement contains the following information:i. Increase or decrease in revenue from operations.ii. Increase or decrease in cost of materials consumed.iii. Increase or decrease in incomes and expenses.iv. Increase of decrease in net profit. Question 7. Working Notes:-Computation of Percentage Change:-1.) Changes in Revenue from Operations = Current Revenue from Operations – Previous Revenue from OperationsChanges in Revenue from Operations = Rs. 80,00,000 – Rs. 60,00,000Changes in Revenue from Operations = Rs. 20,00,000 Revenue from Operations = (Changes in Revenue from Operations)/(Base Revenue from Operations)×100Revenue from Operations = 20,00,000/60,00,000 ×100 = 33.33% 2.) Changes in Total Revenue = Current Total Revenue – Previous Total RevenueChanges in Total Revenue = Rs. 52,80,000 – Rs. 48,42,000Changes in Total Revenue = Rs. 4,38,000Total Revenue = (Changes in Total Revenue)/(Base year Total Revenue)×100Total Revenue = 4,38,000/52,80,000 ×100 = 9.05% Question 8. Points for Students:-The form of comparative statement of profit and loss also consists of five columns. In the first column items of Statement of Profit and loss are shown. In the second column the data for previous year is shown and in the third column the data for current year is shown. In the fourth column the increase or decrease in absolute data is shown in term of rupee amounts. Fifth column shows the increase or decrease in various items in the form of percentages. Question 9. Points for Students:-The form of comparative statement of profit and loss also consists of five columns. In the first column items of Statement of Profit and loss are shown. In the second column the data for previous year is shown and in the third column the data for current year is shown. In the fourth column the increase or decrease in absolute data is shown in term of rupee amounts. Fifth column shows the increase or decrease in various items in the form of percentages. Question 10. Point for Students:-The comparative benefit and loss statement contains the following information:i. Increase or decrease in revenue from operations.ii. Increase or decrease in cost of materials consumed.iii. Increase or decrease in incomes and expenses.iv. Increase of decrease in net profit. Question 11. Working Note:-Computation of Gross Profit:-Gross Profit = Revenue from Operations – Cost of Materials ConsumedGross Profit for the Year of 2014-15 = Rs. 6,00,000 – Rs. 4,50,000Gross Profit for the Year of 2014-15 = Rs. 1,50,000 Gross Profit for the Year of 2015-16 = Rs. 8,00,000 – Rs. 4,80,000Gross Profit for the Year of 2015-16 = Rs. 3,20,000 Computation of Other Expenses:-Other Expenses for the year of 2014-15 = Rs. 1,50,000 × 10%Other Expenses for the year of 2014-15 = Rs. 15,000Other Expenses for the year of 2015-16 = Rs. 3,20,000 × 20%Other Expenses for the year of 2014-15 = Rs. 64,000 Question 12. Point for Students:-In order to estimate the future progress of a firm, it is necessary to look into its past performance. For this purpose, it becomes essential to make comparative study of its financial statements for two or more years.When financial statements figures for two or more years are placed side-by-side to facilitate comparison, these are called 'Comparative Financial Statements'. Question 13. Points for Students:-The form of comparative statement of profit and loss also consists of five columns. In the first column items of Statement of Profit and loss are shown. In the second column the data for previous year is shown and in the third column the data for current year is shown. In the fourth column the increase or decrease in absolute data is shown in term of rupee amounts. Fifth column show the increase or decrease in various items in the form of percentages. Question 14. Point for Students:-The comparative benefit and loss statement contains the following information:i. Increase or decrease in revenue from operations.ii. Increase or decrease in cost of materials consumed.iii. Increase or decrease in incomes and expenses.iv. Increase of decrease in net profit. Question 15. Point for Students:-Comparative Statement of profit and loss provides the following information:-(i) Rate of increase or decrease in revenue from operations.(ii) Rate of increase or decrease in cost of materials consumed.(iii) Rate of increase or decrease in incomes and expenses.(iv) Rate of increase or decrease in net profit. Question 16. Solution 16 (b) Values which Yash Ltd. is trying to propagate:-(i) Workers' hard work and integrity are recognised.(ii) The company's ethical policies. Point for Students:-The comparative benefit and loss statement contains the following information:i. Increase or decrease in revenue from operations.ii. Increase or decrease in cost of materials consumed.iii. Increase or decrease in incomes and expenses.iv. Increase of decrease in net profit. Question 17. Working Notes:-The percentage increase or decrease is calculated as follows:-1.) 1,00,000/5,00,000 × 100 = 20.00%2.) 6,00,000/30,00,000 × 100 = 20.00% Point for Students:-In order to estimate the future progress of a firm, it is necessary to look into its past performance. For this purpose, it becomes essential to make comparative study of its financial statements for two or more years.When financial statements figures for two or more years are placed side-by-side to facilitate comparison, these are called 'Comparative Financial Statements'. Question 18. Point for Students:-The comparative benefit and loss statement contains the following information:i. Increase or decrease in revenue from operations.ii. Increase or decrease in cost of materials consumed.iii. Increase or decrease in incomes and expenses.iv. Increase of decrease in net profit. Question 19. Point for Students:-In order to estimate the future progress of a firm, it is necessary to look into its past performance. For this purpose, it becomes essential to make comparative study of its financial statements for two or more years.When financial statements figures for two or more years are placed side-by-side to facilitate comparison, these are called 'Comparative Financial Statements'. Question 20. Point for Students:-In order to estimate the future progress of a firm, it is necessary to look into its past performance. For this purpose, it becomes essential to make comparative study of its financial statements for two or more years.When financial statements figures for two or more years are placed side-by-side to facilitate comparison, these are called 'Comparative Financial Statements'. Question 21. Point for Students:-Comparative Statement of profit and loss provides the following information:-(i) Rate of increase or decrease in revenue from operations.(ii) Rate of increase or decrease in cost of materials consumed.(iii) Rate of increase or decrease in incomes and expenses.(iv) Rate of increase or decrease in net profit. Question 22. Point for Students:-Comparative Statement of profit and loss provides the following information:-(i) Rate of increase or decrease in revenue from operations.(ii) Rate of increase or decrease in cost of materials consumed.(iii) Rate of increase or decrease in incomes and expenses.(iv) Rate of increase or decrease in net profit. Question 23. Point for Students:-The comparative benefit and loss statement contains the following information:i. Increase or decrease in revenue from operations.ii. Increase or decrease in cost of materials consumed.iii. Increase or decrease in incomes and expenses.iv. Increase of decrease in net profit. Question 24. Point for Students:-In order to estimate the future progress of a firm, it is necessary to look into its past performance. For this purpose, it becomes essential to make comparative study of its financial statements for two or more years.When financial statements figures for two or more years are placed side-by-side to facilitate comparison, these are called 'Comparative Financial Statements'. Question 25. Solution 25 Point for Students:-Comparative Statement of profit and loss provides the following information:-(i) Rate of increase or decrease in revenue from operations.(ii) Rate of increase or decrease in cost of materials consumed.(iii) Rate of increase or decrease in incomes and expenses.(iv) Rate of increase or decrease in net profit. Question 26. Solution 26 Point for Students:-In order to estimate the future progress of a firm, it is necessary to look into its past performance. For this purpose, it becomes essential to make comparative study of its financial statements for two or more years.When financial statements figures for two or more years are placed side-by-side to facilitate comparison, these are called 'Comparative Financial Statements'. Question 27. Point for Students:-The comparative benefit and loss statement contains the following information:i. Increase or decrease in revenue from operations.ii. Increase or decrease in cost of materials consumed.iii. Increase or decrease in incomes and expenses.iv. Increase of decrease in net profit. Question 28. Point for Students:-Comparative Statement of profit and loss provides the following information:-(i) Rate of increase or decrease in revenue from operations.(ii) Rate of increase or decrease in cost of materials consumed.(iii) Rate of increase or decrease in incomes and expenses.(iv) Rate of increase or decrease in net profit. Question 29. Point for Students:-In order to estimate the future progress of a firm, it is necessary to look into its past performance. For this purpose, it becomes essential to make comparative study of its financial statements for two or more years.When financial statements figures for two or more years are placed side-by-side to facilitate comparison, these are called 'Comparative Financial Statements'. Question 30. Point for Students:-The comparative benefit and loss statement contains the following information:i. Increase or decrease in revenue from operations.ii. Increase or decrease in cost of materials consumed.iii. Increase or decrease in incomes and expenses.iv. Increase of decrease in net profit. Question 31. Solution 31 Point for Students:-In order to estimate the future progress of a firm, it is necessary to look into its past performance. For this purpose, it becomes essential to make comparative study of its financial statements for two or more years.When financial statements figures for two or more years are placed side-by-side to facilitate comparison, these are called 'Comparative Financial Statements'. What is a Comparative Balance Sheet? A comparative balance sheet is an official document that highlights a company's financial position over a range of periods. A comparative balance sheet portrays the balance of the accounts as well as presents a variation picture of different items of the balance sheet. How is a comparative balance sheet designed? Every company needs a comparative balance sheet to get the exact information about the financial position. The comparative balance sheet primarily comprises five columns. The first column represents the items on the balance sheet. The second and third column highlights the dates of the previous year and the date of the current year respectively. The fourth column depicts the increase or decrease in the company's financial status in terms of rupees, and the final column highlights the percentage increase or decrease in the absolute data of the company. What are the tools used for the analysis of financial statements? The analysis of a financial statement is a complex process that requires many tools to drive out the exact figures, defining the company's financial status. Here are the commonly used tools for analysis of the financial statements of the companies-● Common Size Statement● Comparative Statement● Ratio Analysis● Cash Flow Statement What do you mean by a Comparative Statement of Profit and Loss? A comparative statement of profit and loss represents the net profit or loss of a specific number of accounting years for a company. A well-designed comparative statement presents the companies the absolute data in terms of amount and the percentage. It helps the companies to trace the trend of performance and profitability of the business. What is a common size statement? Common size statements can be defined as the statements which represent the amounts of several items included in the financial statements in terms of percentages to a common base. What are the two types of common size statements? The two primary types of common size statements are –● Common Size Balance Sheet● Common Size Statement of Profit and Loss Also refer to TS Grewal Solutions for Class 12 error: Content is protected !! 67%(9)67% found this document useful (9 votes)39K viewsThis document provides several examples of common size statements and trend percentage calculations based on financial data from various companies' income statements and balance sheets. It i...SaveSave Practicals Problems of Comparative Statement For Later67%67% found this document useful, undefined Comparative statement data for Farris Company and Raizlaff Company, two competitors, appear below. All balance sheet data are as of December 31, 2019, and December 31, 2018 Instructions Prepare a vertical analysis of the 2019 income statement data for Farris company and Ratzlaff Company in columnar form Comment on the relative profitablity of the companies by return on assets and the return on common stockholder's equity for both companies Read more: Problem-01: Financial Statement Analysis The comparative statements of Painter Tool Company are presented below All sales were on account. Instructions Compute the following ratios for 2020. (Weighted-average common shares in 2020 were 57,000.) Earnings per share Return on common stockholder' equity Return on assets Current ratio Acid-test ratio Accounts receivable turnover Inventory turnover Times interest earned Asset turnover. Debt to assets ratio Read more: Problem-02: Financial Statement Analysis Condensed balance sheet and income statement data for Landwehr Corporation appear below. Additional Information The market price of Landwehr's common stock was $4.00, $5.00, and $8,00 for 2018, 2019, and 2020, respectively. All Dividends wer paid in cash Instructions Compute the following ratios for 2019, and 2020. Profit margin. Asset turnover. Earnings per share (Weighted average common shares in 2020 were 32,000 and in 2019 were 31,000.) Price-earning ratio. Payout ratio.. Debt to assets ratio. Based on the ratios calculated, discuss briefly the improvement or lack thereof in financial position and operating results from 2019 to 2018 of Landwehr Corporation. Read more: Problem-03: Financial Statement Analysis Financial information for Messersmith Company is presented below Additional Information Inventory at the beginning of 2019 was $118,000 Total Assets at the beginning of 2019 were $630,000. No common stock transactions occurred during 2019 or 2020 All sales wer on account. Accounts receivable, net at the beginning of 2019, were $88,000. Notes payable are classified as current liabilities. Instructions Indicate, by using ratios, the change in liquidity and profitability of Meassersmith Company from 2019 to 2020. Given below are theree independent situation and a ratio that may be affected. For each situation, compute the affected ratio (1) as of December 31, 2020, and (2) as of December 31, 2021, after giving effect to the situation. Net income for 2021 was $50,000. Total assets on December 31, 2021, were $700,000 Read more: Problem-04: Financial Statement Analysis Selected financial data of Target Corporation and Wal-Mart Stores, Inc. for a recent year are presented here (in millions) Instructions For each company, compute the following ratios. Current. Receivables turnover. Average collection period. Inventory turnover. Days in inventory. Profit margin. Asset turnover. Return on assets. Return on common stockholders' equity. Debt to total assets. Times interest earned. Compare the liquidity, profitability, and solvency of the two companies. Read more: Problem-05: Financial Statement Analysis The comparative statements of Corbin Company are presented below and on Compute numerous rations. Additional dataThe common stock recently sold at $19.50 per share Instructions Compute the following ratios for 2020. Current.Ratio Acid-Test Ratio Accounts Receivables turnover. Profit margin. Asset turnover. Return on assets. Return on common stockholders' equity. Earning Per share Price-earning ratio. Payout ratio Debt to total assets. Times interest earned. Read more: Problem-06: Financial Statement Analysis An incomplete income statement and an incomplete comparative balance sheet of Deines Corporation are presented below. Additional information: The accounts receivable turnover for 2020 is 10 times All sales are on account. The profit margin for 2020 is 14.5%. Return on assets is 22% for 2020. The current ratio on December 31, 2020 is 3.0 The inventory turnover for 2020 is 4.8 times Instructions Compute thee missing information given the ratios above. Show computations. Solution Computation of missing information. Terwilliger Corporation owns a number of cruise ships and a chain of hotels. The hotels, which have not been profitable, were discontinued on September 1, 2020. The 2020 operating results for the company were as follows. Analysis discloses that these data include the operating results of the hotel chain, which were operating revenues $1,500,000 and operating expenses $2,400,000. The hotels were sold at a gain of $2,00,000 before taxes. This gain is not included in the operating results. During the year., Terwilliger had an unrealized loss on its available-for-sale securities of $600,000 before taxes, which is not included in the operating results. In 2020, the company had other revenues and gains of $100,000, which are not included in the operating results. The corporation is in the 30% income tax bracket. Instructions Prepare a statement of comprehensive income. Solution Terwilliger Corporation Statement of Comprehensive Income The ledger of Jaime Corporation at December 31,2020, contains the following summary data. Your analysis reveals the following additional information that is not included in the above data. The entire Puzzles Division was discontinued on August 31. The income from operation for this division before income taxes was $20,000. The Puzzles Division was sold at a loss of $90,000 before income taxes. The company had an unrealized gain on available-for-sale securities of $120,000 before income taxes for the year. The income tax rate on all items is 25%; Instructions Prepare a statement of comprehensive income for the year ended December 31, 2020. Solution Jaime Corporation Statement of Comprehensive IncomeFor the Year Ended December 31, 2020 From the following Balance Sheet, prepare Comparative Balance Sheet of Sun Ltd.: Particulars NoteNo. 31st March, 2019(₹) 31st March, 2018(₹) I. EQUITY AND LIABILITIES 1. Shareholder's Funds (a) Share Capital 3,50,000 3,00,000 2. Non-Current Liabilities Long-term Borrowings 1,00,000 2,00,000 3. Current Liabilities : Trade Payables 1,50,000 1,00,000 Total 6,00,000 6,00,000 II. ASSETS 1. Non-Current Assets Fixed Assets (Tangible) 4,00,000 3,00,000 2. Current Assets Trade Receivables 2,00,000 3,00,000 Total 6,00,000 6,00,000 Following is the Balance Sheet of Radha Ltd. as at 31st March, 2019: Particulars Note No. 31st March, 2019, (₹) 31st March, 2018, (₹) I. EQUITY AND LIABILITIES 1. Shareholders' Funds (a) Share Capital 15,00,000 10,00,000 (b) Reserves and Surplus 10,00,000 10,00,000 2. Non-Current Liabilities Long-term Borrowings 8,00,000 2,00,000 3. Current Liabilities (a) Trade Payables 5,00,000 3,00,000 Total 38,00,000 25,00,000 II. ASSETS 1. Non-Current Assets Fixed Assets: (i) Tangible Assets 25,00,000 15,00,000 (ii) Intangible Assets 5,00,000 5,00,000 2. Current Assets (a) Trade Receivables 6,00,000 3,50,000 (b) Cash and Cash Equivalents 2,00,000 1,50,000 Total 38,00,000 25,00,000 You are required to prepare Comparative Balance Sheet on the basis of the information given in the above Balance Sheet. Balance Sheet of Blue Bell Ltd. as at 31st March, 2019 is given below: BALANCE SHEETas at 31st March, 2019 Particulars Note No. 31st March, 2019 (₹) 31st March, 2018 (₹) I. EQUITY AND LIABILITIES 1. Shareholder's Funds (a) Share Capital 3,26,000 2,44,000 (b) Reserves and Surplus 1,00,000 1,00,000 2. Non-Current Liabilities Long-term Borrowings 6,96,000 4,38,000 3. Current Liabilities Trade Payables 2,98,000 78,000 Total 14,20,000 8,60,000 II. ASSETS 1. Non-Current Assets (a) Fixed Assets 5,68,000 4,30,000 (b) Non-Current Investments 6,000 4,000 2. Current Assets (a) Trade Receivables 6,46,000 3,76,000 (b) Cash and Cash Equivalents 2,00,000 50,000 Total 14,20,000 8,60,000 Prepare Comparative Balance Sheet showing percentage changes from 2018 to 2019.Following is the summarised Balance Sheet of Wye Ltd. as at 31st March, 2019: Particulars Note No. 31st March,2019 (₹) 31st March,2018 (₹) I. EQUITY AND LIABILITIES 1. Shareholders' Funds (a) Share Capital: (i) Equity Share Capital 4,00,000 4,00,000 (ii) Preference Share Capital 1,00,000 1,00,000 (b) Reserves and Surplus 1,20,000 1,10,000 2. Non-Current Liabilities (a) Long-term Borrowings 1. 4,50,000 4,50,000 (b) Long-term Provisions 50,000 1,00,000 3. Current Liabilities (a) Trade Payables (Creditors) 5,30,000 3,30,000 (b) Short-term Provisions 50,000 50,000 Total 17,00,000 15,40,000 II. ASSETS 1. Non-Current Assets (a) Fixed Assets (Tangible) 9,90,000 10,40,000 (b) Non-Current Investments 1,00,000 1,00,000 2. Current Assets (a) Trade Receivables 5,00,000 3,00,000 (b) Cash and Cash Equivalents 2 1,10,000 1,00,000 Total 17,00,000 15,40,000 Notes to Accounts Particulars 31st March,2019 (₹) 31st March,2018 (₹) I. Long-term Borrowings Bank Loan 3,50,000 4,50,000 8% Debentures 1,00,000 ... 4,50,000 4,50,000 2. Cash and Cash Equivalents Bank Balance 1,00,000 90,000 Cash in Hand 10,000 10,000 1,10,000 1,00,000 You are required to comment upon the changes in absolute figures from one period to another.From the Following Balance Sheet of Royal Industries Ltd. as at 31st March, 2019, prepare Comparative Balance Sheet: Particulars Note No. 31st March, 2019 (₹) 31st March, 2018 (₹) I. EQUITY AND LIABILITIES 1. Shareholder's Funds (a) Share Capital Equity Share Capital 10,00,000 5,00,000 (b) Reserves and Surplus 1,00,000 1,00,000 2. Non-Current Liabilities Long-term Borrowings 2,00,000 3,00,000 3. Current Liabilities Trade Payables 2,00,000 1,00,000 Total 15,00,000 10,00,000 II. ASSETS 1. Non-Current Assets (a) Fixed Assets: (i) Tangible Assets 8,00,000 4,00,000 (ii) Intangible Assets 2,00,000 2,00,000 (b) Non-Current Investments 2,00,000 2,00,000 2. Current Assets (a) Inventories 2,50,000 1,50,000 (b) Cash and Cash Equivalents 50,000 50,000 Total 15,00,000 10,00,000 From the following Balance Sheet of Depth Ltd. as at 31st March, 2019, prepare Comparative Balance Sheet: Particulars Note No. 31st March, 2019 (₹) 31st March, 2018 (₹) I. EQUITY AND LIABILITIES 1. Shareholders' Funds (a) Share Capital 2,80,000 1,80,000 (b) Reserves and Surplus 1,00,000 1,00,000 2. Non-Current Liabilities Long-term Borrowings 80,000 20,000 3. Current Liabilities Trade Payables 50,000 30,000 Total 5,10,000 3,30,000 II. ASSETS 1. Non-Current Assets (a) Fixed Assets: (i) Tangible Assets 2,80,000 1,80,000 (ii) Intangible Assets 50,000 30,000 (b) Non-Current Investments 80,000 50,000 2. Current Assets (a) Inventories 70,000 30,000 (b) Cash and Cash Equivalents 30,000 40,000 Total 5,10,000 3,30,000 From the following Balance Sheet of H.P. Ltd. as at 31st March, 2019, prepare Comparative Balance Sheet: Particulars Note No. 31st March, 2019 (₹) 31st March, 2018 (₹) I. EQUITY AND LIABILITIES 1. Shareholders' Funds (a) Share Capital: (i) Equity Share Capital 12,50,000 5,00,000 (ii) Preference Share Capital 2,50,000 2,50,000 (b) Reserves and Surplus 3,00,000 4,50,000 2. Non-Current Liabilities Long-term Borrowings: 12% Debentures 9,50,000 5,50,000 Loan from Directors 2,50,000 2,00,000 3. Current Liabilities (a)Short-term Borrowings 3,50,000 1,75,000 (b) Trade Payables 2,00,000 1,00,000 (c) Short-term Provisions 50,000 25,000 Total 36,00,000 22,50,000 II. ASSETS 1. Non-Current Assets (a) Fixed Assets (Tangible) 22,50,000 15,00,000 2. Current Assets (a) Inventories 4,50,000 2,50,000 (b) Trade Receivables 8,00,000 4,50,000 (c) Cash and Cash Equivalents 1,00,000 50,000 Total 36,00,000 22,50,000 Following information is extracted from the Statement of Profit and Loss of Gold Coin Ltd. for the year ended 31st March, 2015: Particulars 31st March, 2015 31st March, 2014 Revenue from Operations ₹ 60,00,000 ₹ 45,00,000 Employee Benefit Expenses ₹ 30,00,000 ₹ 22,50,000 Depreciation ₹ 7,50,000 ₹ 6,00,000 Other Expenses ₹ 15,50,000 ₹ 10,00,000 Tax Rate 30% 30% Prepare Comparative Statement of Profit and Loss from the following Statement of Profit and Loss: Particulars Note No. 31st March, 2019 (₹) 31st March, 2018 (₹) I. Income Revenue from Operations (Net Sales) 3,50,000 3,00,000 II. Expenses Purchases of Stock-in-Trade 2,10,000 1,80,000 Change in Inventories of Stock-in-Trade 15,000 20,000 Employees Benefits Expenses 17,500 15,000 Other Expenses 7,500 5,000 Total 2,50,000 2,20,000 III. Profit before Tax (I-II) 1,00,000 80,000 IV. Less: Tax 30,000 24,000 V. Profit after Tax (III-IV) 70,000 56,000 Prepare Comparative Statement of Profit and Loss from the following Statement of Profit and Loss: Particulars Note No. 31st March, 2019 (₹) 31st March, 2018 (₹) I. Income Revenue from Operations (Net Sales) 3,00,000 2,50,000 II. Expenses Cost of Materials Consumed 1,20,000 1,00,000 Changes in Inventories of WIP and Finished Goods (2,000) 5,000 Employees Benefits Expenses (Wages) 30,000 25,000 Other Expenses 22,000 20,000 Total 1,70,000 1,50,000 III. Net Profit (I-II) 1,30,000 1,00,000 From the following Information, prepare Comparative Statement of Profit and Loss: Particulars 31st March, 2019 31st March, 2018 Revenue from Operations ₹ 30,00,000 ₹ 20,00,000 Other Income (% of Revenue from Operations) 12% 20% Expenses (% of Operating Revenue) 70% 60% Tax Rate 40% 40% From the following information, prepare Comparative Statement of Profit and Loss showing increase, decrease and percentage: Particulars 31st March, 2019 31st March, 2018 Cost of Materials Consumed ₹ 13,44,000 ₹ 6,00,000 Revenue from Operations (% of Materials Consumed) 125% 200% Other Expenses (% of Operating Revenue) 10% 10% Tax Rate 50% 50% From the following Statement of Profit and Loss, prepare Comparative Statement of Profit and Loss: Particulars Note No. 31st March, 2019 (₹) 31st March, 2018 (₹) I. Income Revenue from Operations (Net Sales) 50,00,000 40,00,000 II. Expenses Purchases of Stock-in-Trade 34,00,000 28,50,000 Change in Inventories of Stock-in-Trade 1 1,00,000 1,50,000 Employees Benefits Expenses 1,00,000 1,00,000 Other Expenses 2 2,00,000 1,50,000 Total 38,00,000 32,50,000 III. Net Profit (I-II) 12,00,000 7,50,000 Notes to Accounts Particulars 31st March, 2019 (₹) 31st March, 2018 (₹) I. Change in Inventory of stock-in-Trade Opening Inventory 2,00,000 3,50,000 Less: Closing Inventory 1,00,000 2,00,000 1,00,000 1,50,000 2. Other Expenses Administrative Expenses 50,000 50,000 Selling and Distribution Expenses 1,50,000 1,00,000 2,00,000 1,50,000 Prepare Comparative Statement of Profit and Loss from the following information: Particulars 31st March,2019 31st March, 2018 Revenue from Operations ₹ 37,50,000 ₹ 25,00,000 Other Income ₹ 4,50,000 ₹ 5,00,000 Cost of Materials Consumed ₹ 22,50,000 ₹ 12,50,000 Other Expenses ₹ 3,75,000 ₹ 2,50,000 Tax Rate 50% 50% From the following Statement of Profit and Loss of Antriksh Ltd. for the year ended 31st March, 2012 and 2013, Prepare Comparative Statement of Profit and Loss: Particulars Note No. 31st March,2013 (₹) 31st March,2012, (₹) Revenue from Operations 14,00,000 8,00,000 Other Incomes 6,00,000 4,00,000 Expenses 17,00,000 11,00,000 Rate of Income Tax was 40%.From the following Statement of Profit and Loss, prepare Comparative Statement of Profit and Loss: Particulars Note No. 31st March, 2019 (₹) 31st March, 2018 (₹) I. Income Revenue from Operations (Net Sales) 20,00,000 17,50,000 Other Income 75,000 50,000 Total 20,75,000 18,00,000 II. Expenses Purchases of Stock-in-Trade 11,60,000 10,00,000 Change in Inventories of Stock-in-Trade 10,000 (25,000) Employees Benefits Expenses 1 3,00,000 3,00,000 Depreciation and Amortisation Expenses 50,000 50,000 Other Expenses 2 90,000 75,000 Total 16,10,000 14,00,000 III. Net Profit (I-II) 4,65,000 4,00,000 Notes to Accounts Particulars 31st March, 2019 (₹) 31st March, 2018 (₹) I. Employees Benefit Expenses Wages 3,00,000 3,00,000 2. Other Expenses Administrative and General Expenses 70,000 50,000 Miscellaneous Expenses 20,000 25,000 90,000 75,000 From the following Statement of Profit and Loss of Star Ltd., for the year ended 31st March, 2015 and 2016, prepare a Common-size statement: Particulars Note No. 2015-16 2014-15 Revenue from Operations ₹ 25,00,000 ₹ 20,00,000 Employee Benefit Expenses ₹ 10,00,000 ₹ 7,00,000 Other Expenses ₹ 2,00,000 ₹ 3,00,000 Tax Rate 40% 40% Prepare Common-size Statement of Profit and Loss from the following Statement of Profit and Loss: Particulars Note No. 31st March, 2018 (₹) I. Income Revenue from Operations 15,00,000 Other Income 60,000 Total Revenue 15,60,000 II. Expenses Purchases of Stock-in-Trade 7,50,000 Change in Inventories of Stock-in-Trade 50,000 Other Expenses 2,10,000 Total 10,10,000 III. Net Profit before Tax (I-II) 5,50,000 Prepare Common-size Statement of Profit and Loss from the following Statement of Profit and Loss: Particulars Note No. Year I (₹) Year II (₹) I. Income Revenue from Operations (Net Sales) 14,00,000 16,00,000 II. Expenses Purchases of Stock-in-Trade 9,00,000 10,00,000 Change in Inventories of Stock-in-Trade 1,00,000 1,80,000 Finance Costs 80,000 80,000 Other Expenses 90,000 1,30,000 Total 11,70,000 13,90,000 III. Net Profit (I-II) 2,30,000 2,10,000 IV. Less: Tax 40,000 36,000 V. Net Profit After Tax (III-IV) 1,90,000 1,74,000 Prepare Common-size Balance Sheet and comment on the financial position of Sun Ltd. and Star Ltd. The Balance Sheet of Sun Ltd. and Star Ltd. as at 31st March, 2019 are: Particulars Sun Ltd. (₹) Star Ltd. (₹) I. EQUITY AND LIABILITIES 1. Shareholders' Funds (a) Share Capital 9,00,000 12,00,000 (b) Reserves and Surplus 4,00,000 3,50,000 2. Current Liabilities Trade Payables (Creditors) 2,00,000 2,50,000 Total 15,00,000 18,00,000 II. ASSET