



3055 BA SANGAM COLLEGE
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Strand – 5	Analysis And Interpretation Of Financial Statements –I
Sub Strand (5.1)	Analyzing Accounting Reports – Vertical
Content Learning Outcome (5.1.1)	Analyze the financial reports of a Sole Proprietor to assess its performance

WORKSHEET: 12

School: **Ba Sangam College**

Year: **1101**

Name: _____

Subject: **Accounting**

ACTIVITY QUESTIONS

(Refer to pages 126 to 129 for the formulas on liquidity ratios and management policies to answer the questions that follows)

- (a) A. Naduva operates a retail business of computer parts known as AN Computer Parts Store. Given below is the financial information extracted from the final accounts as at 31st October 2018.

Data from the Statement of Financial Performance	\$
Net Sales (40% Cash)	60 000
Gross Profit	24 000
Net Profit	12 000
Inventory – 01/11/17	5 000
Inventory – 31/10/18	7 000
Data from the Statement of Financial Position	
Fixed Assets	28 000
Accounts Receivables	10 000
Cash at Bank	3 000
Accounts Payable	5 500
Expenses Due	500
Capital – 01/11/17	30 000
Capital – 30/10/18	42 000

Required

1. Use the information given above to calculate the following ratios and percentages to **two decimal** places. Show all the formula and working.

<u>QUESTION</u>	<u>Formula</u>	<u>WORKING</u>	<u>ANSWER</u>
Current ratio			
Liquid Capital in dollars			
Debtors Age in months			
Mark-up ratio			
Proprietorship percentage based on assets			

(7.5 marks)

2. List down **three** profitability ratios.

(1.5 marks)

THE END