

101 **Step 1**

Working Capital	=	Current Assets	-	Current Liabilities
		1000000	-	400000
	=	600000		

**Step 2**

Working Capital Turnover Ratio	=	Revenue from operations	/	Working Capital
		2400000	/	600000
	=	4 Times		

102 **Step 1**

Working Capital	=	Current Assets	-	Current Liabilities
		250000	-	150000
	=	100000		

**Step 2**

Working Capital Turnover Ratio	=	Cost of Revenue from operations	/	Working Capital
		500000	/	100000
	=	5 Times		

103 **Step 1**

Revenue from operations	=	Cash Sales	+	Credit Sales	-	Sales Return
		500000	+	600000	-	100000
	=	1000000				

**Step 2**

Working Capital	=	Current Assets	-	Current Liabilities
		300000	-	100000
	=	200000		

**Step 2**

Working Capital Turnover Ratio	=	Revenue from operations	/	Working Capital
		1000000	/	200000
	=	5 Times		

104 **Step 1**

Let the revenue from operations	100	
Gross Profit	33.33	
Cost of Goods Sold	66.67	2000000
Revenue from operations	=	100 / 66.67 X 2000000
	=	3000000

**Step 2**

$$\begin{aligned} \text{Working Capital} &= \text{Current Assets} - \text{Current Liabilities} \\ &= 1000000 - 250000 \\ &= 750000 \end{aligned}$$

**Step 2**

$$\begin{aligned} \text{Working Capital Turnover Ratio} &= \frac{\text{Revenue from operations}}{\text{Working Capital}} \\ &= \frac{3000000}{750000} \\ &= 4 \text{ Times} \end{aligned}$$

**Note : Equity share capital given in the question is not relevant**

105 **Step 1**

Let the Cost of Goods Sold	100	
Gross Profit	25.00	500000
Revenue from operations	125.00	
Revenue from operations	=	125 / 25 X 500000
	=	2500000

**Step 2**

Liabilities	Amount	Assets	Amount
Share Capital	1000000	Fixed Assets	1000000
Reserves and Surplus	200000	<b>Working Capital</b>	<b>500000</b>
Long Term Loan	300000	<b>(Balancing Figure)</b>	

Total	<u>1500000</u>	Total	<u>1500000</u>
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**Step 3**

Working Capital Turnover Ratio	=	Revenue from operations	/	Working Capital
		2500000	/	500000
	=	5 Times		

106 **Step 1**

Revenue from operations	=	Cost of Revenue from operations	+	Gross Profit
		4000000	+	20% on Cost
	=	4000000	+	800000
	=	4800000		

**Step 2**

<b>Liabilities</b>	<b>Amount</b>	<b>Assets</b>	<b>Amount</b>
Capital Employed	1200000	Net Fixed Assets	800000
(i.e. Share Cap + Debts)		<b>Working Capital</b>	<b>400000</b>
		<b>(Balancing Figure)</b>	
Total	<u>1200000</u>	Total	<u>1200000</u>

**Step 3**

Working Capital Turnover Ratio	=	Revenue from operations	/	Working Capital
		4800000	/	400000

$$= 12 \text{ Times}$$

**Note : As per information given in the question there are no current liabilities in the question**

107 **Step 1**

<b>Liabilities</b>	<b>Amount</b>	<b>Assets</b>	<b>Amount</b>
Shareholder funds	250000	Fixed Assets	375000
Non Current Liabilities	500000	<b>(Balancing Figure)</b>	
Current Liabilities	250000	Current Assets	625000
<b>(Balancing Figure)</b>			
Total	<u>1000000</u>	Total	<u>1000000</u>

**Step 2**

$$\begin{aligned} \text{Working Capital} &= \text{Current Assets} - \text{Current Liabilities} \\ &= 625000 - 250000 \\ &= 375000 \end{aligned}$$

**Step 3**

$$\begin{aligned} \text{Working Capital Turnover Ratio} &= \frac{\text{Revenue from operations}}{\text{Working Capital}} \\ &= \frac{1500000}{375000} \\ &= 4 \text{ Times} \end{aligned}$$

108 **Step 1**

Let the Cost of Goods Sold	100	
Gross Profit	25.00	500000

$$\begin{aligned}
 \text{Revenue from operations} & \qquad \qquad \qquad 125.00 \\
 \\
 \text{Revenue from operations} & = \qquad 125 / 25 \times 500000 \\
 \\
 & = \qquad 2500000
 \end{aligned}$$

**Step 2**

<b>Liabilities</b>	<b>Amount</b>	<b>Assets</b>	<b>Amount</b>
Share Capital	1000000	Non Current Assets	1000000
Reserves and Surplus	200000	<b>Current Assets</b>	<b>500000</b>
Long Term Loan	300000	<b>(Balancing Figure)</b>	
 Total	<u><u>1500000</u></u>	Total	<u><u>1500000</u></u>

**Step 3**

$$\begin{aligned}
 \text{Working Capital Turnover Ratio} & = \qquad \text{Revenue from operations} & / & \qquad \text{Working Capital} \\
 & & 2500000 & / & 500000 \\
 \\
 & = \qquad \qquad \qquad 5 \text{ Times}
 \end{aligned}$$



109 **Step 1**

$$\begin{aligned} \text{Gross Profit Ratio} &= \frac{\text{Gross profit}}{50000} \div \frac{\text{Revenue from Operations}}{500000} \times 100 \\ &= 10\% \end{aligned}$$

**Note : Sales return is already reduced while calculating revenue from operations**

110 **Step 1**

$$\begin{aligned} \text{Gross Profit} &= \text{Net Sales} - \text{Cost of Goods Sold} \\ &= 600000 - 540000 \\ &= 60000 \end{aligned}$$

**Step 2**

$$\text{Gross Profit Ratio} = \frac{\text{Gross profit}}{\text{Revenue from Operations}} \times 100$$

$$= \frac{60000}{600000} \times 100 = 10\%$$

