81 **Step 1**

Inventory Turnover Ratio	=	Cost of Goods Sold	/	Average Inventory
8		300000	/	AI

Average Inventory	=	Cost of Goods Sold	/	Inventory Turnover Ratio
		300000		8
	=	37500		

Step 2

Let the closing inventory be x

So,

opening inventory is 2 times **more** then closing inventory ***(Notice here the change in language)***

2 times will be 2.5 x

Opening Inventory	=	x	+	2x
	=	3x		

Average Inventory	=	(Opening Inventory	+	Closing Inventory)	/	2
37500	=	3x	+	x	/	2

Solve this equation for x

4x	=	75000

	x	=	75000 / 4				
	x	=	18750				

Step 3

Opening Inventory	=	Closing Inventory	X	3	
		18750	X	3	
	=	56250			

82 Trade Receivables Turnover Ratio = Net Credit Sales / Average Trade Receivables (As below)

1200000 / 200000

= 6 Times

Trade Receivables = Debtors + Bills Receivables

120000 + 80000

= 200000

Note : Since the information for opening and closing trade receivables not given separately given in the question
So the average trade receivable is assumed to be same as given in the question

83 **Step 1**

Net Credit Sales = Total Sales - Sales Return - Cash Sales

100000 - 1500 - 23500

		=	75000					

Step 2

Average Trade Receivables	=	(Opening Trade Receivable	+	Closing Trade Receivable)	/	2
		(28000+7000)	+	(25000+15000)	/	2
		35000	+	40000	/	2
	=	37500				

Step 3

Trade Receivables Turnover Ratio	=	Net Credit Sales	/	Average Trade Receivables	
		75000	/	37500	
	=	2	Times		

Note : Prov for Doubtful Debts not considered for calculating this ratio as it is just a provision and not a real bad debt

84 **Step 1**

Net Credit Sales	=	Total Revenue from Operations		-	Cash Revenue form operations
		720000		-	180000
	=	540000			

Step 2

Trade Receivables Turnover Ratio	=	Net Credit Sales	/	Average Trade Receivables	
		540000	/	90000	
	=	6	Times		

Note : Prov for Doubtful Debts not considered for calculating this ratio

Note : Since the opening and closing trade receivables are not given so we have considered closing trade receivables as average trade receivables

85 **Step 1**

Let the credit sales be x

Cash sales will be 0.25x

Total Sales	=	Credit sales	+	cash sales
600000	=	x	+	0.25x

x	=	600000	/	1.25
	=	480000		

Credit sales = **480000**

Step 2

Average Trade Receivables	=	(Opening Trade Receivable	+	Closing Trade Receivable)	/	2
		(100000-40000)	+	100000	/	2
		60000	+	100000	/	2
	=	80000				

Step 3

Trade Receivables Turnover Ratio	=	Net Credit Sales	/	Average Trade Receivables

			480000	/	80000	
		=	6	Times		
86	**31-Mar-21**					
	Trade Receivables Turnover Ratio	=	Net Credit Sales	/	Average Trade Receivables	
			800000	/	100000	(83000 + 117000)/2
		=	8	Times		
	31-Mar-22					
	Trade Receivables Turnover Ratio	=	Net Credit Sales	/	Average Trade Receivables	
			700000	/	100000	
		=	7	Times		

Note : Credit sales are not given separately so total sales is considered for calculating the ratio
Note : Sales return will not be deducted as revenue from operations is already given in the question

87	Trade Receivables Turnover Ratio	=	Net Credit Sales	/	Average Trade Receivables	
			1440000	/	120000	
		=	12	Times		

Note : Prov for Doubtful Debts not considered for calculating this ratio
Note : In the absence of information all sales are considered as credit sales
Note : In the absence of information closing trade receivables is assumed to be average trade receivables

88 **Step 1**

Let the credit sales be x

Cash sales will be 0.25x

Total Sales	=	Credit sales	+	cash sales
1500000	=	x	+	0.25x

x	=	1500000	/	1.25
	=	1200000		

Credit sales = 1200000

Step 2

Average Trade Receivables	=	(Opening Trade Receivable	+	Closing Trade Receivable)	/	2
		(400000-200000)	+	400000	/	2
		200000	+	400000	/	2
	=	300000				

Step 3

Trade Receivables Turnover Ratio	=	Net Credit Sales	/	Average Trade Receivables
		1200000	/	300000
	=	4 Times		

89 **Step 1**

Debt Collection Period	=	12	/	Trade receivables turnover ratio
2	=	12	/	Trade receivables turnover ratio

Trade receivables turnover ratio	=	12	/	2
	=	**6**		

Step 2

Trade Receivables Turnover Ratio	=	Net Credit Sales	/	Average Trade Receivables
6		720000	/	Average Trade Receivables

Average Trade Receivables	=	720000	/	6
	=	120000		

90 **Step 1**

Debt Collection Period	=	360	/	Trade receivables turnover ratio
36	=	360	/	Trade receivables turnover ratio

Trade receivables turnover ratio	=	360	/	36
	=	10		

Step 2

Trade Receivables Turnover Ratio	=	Net Credit Sales	/	Average Trade Receivables

10		400000	/	Average Trade Receivables			
Average Trade Receivables	=	400000	/	10			
	=	40000					

Step 3

Let the opening trade receivables be x

Average Trade Receivables	=	(Opening Trade Receivable	+	Closing Trade Receivable)	/	2
40000		x	+	x + 6000	/	2
80000	=	2x	+	6000	/	2
2x	=	80000	-	6000		
x	=	74000	/	2		
	=	37000				
Opening trade receivables	=	37000				
Closing Trade receivables	=	43000				