



INDIAN SCHOOL AL WADI AL KABIR

Class: XII Accountancy	Department: Commerce
Worksheet No: 1	Topic: ANALYSIS OF FINANCIAL STATEMENTS

I Multiple Choice Questions:

- When an analyst analysis the financial statements of an enterprise over a number of years, the analysis is called _____analysis.
A. Static B. External C. Horizontal D. Vertical
- 'Freedom to Choose of method of depreciation' refers to which limitation of financial statement analysis.
A. Historical analysis. B. Qualitative aspect ignored. C. Not free from bias. D. Ignore Price level changes
- Financial statements are prepared on certain basic assumptions (pre-requisites) known as_____.
A. Provision of Companies Act,2013 B. Accounting Standards C. Postulates D. Basis of Accounting.
- Which of the following is not a tool of Financial Statement Analysis?
A. Ratio analysis B. Cash flow Statement C. Statement of Profit and Loss D. Comparative Statement.
- Which of the following is not an objective of Financial statement Analysis?
A To assess the current profitability and operational efficiency of the firm.
B To ascertain the relative importance of different components of the financial position of the firm.
C To consider the impact of price level changes.
D To identify the reasons for change in the profitability/financial position of the firm.
- Which of the following tools of Financial Statement Analysis indicate the trend and direction of financial position and operating results?
A Comparative statements B. Common size statements C. Cash flow analysis
D. Ratio analysis

II Classify the following items under major heads and sub-heads (if any) in the Balance Sheet of a company as per Schedule III, Part I of the Companies Act, 2013:

S.No	Item	Main Heading	Sub-Heading
1	Trade Payables		
2	10% Debentures		
3	Provision for Tax		
4	Public Deposits		
5	Securities Premium Reserve		
6	Forfeited Shares Account		
7	Bills Payable		
8	Advances Received from Customers		
9	Sundry Creditors		
10	Premium on Redemption of Debentures		
11	Surplus, i.e., Balance in Statement of Profit and Loss (Dr.) / (Net Loss)		
12	Surplus, i.e., Balance in Statement of Profit and Loss		
13	Interest Accrued and due on Secured Loans		
14	Interest Accrued and due on Unsecured Loans		
15	Debenture Redemption Reserve		
16	Capital Redemption Reserve		
17	Mortgage Loan		
18	Patents		
19	Investments		
20	Bills Receivable		
21	Tax Reserve		
22	Stores and Spares		
23	Loose Tools		
24	Balances with Banks		
25	Subsidy Reserve		
26	Mining Rights		
27	Provision for Doubtful Debts		
28	Accrued Incomes		
29	Provision for Employees Benefits		

30	Unpaid Dividend		
31	Short-term Loans		
32	Long-term Loans		
33	Bonds		
34	Loans Repayable on Demand		
35	Vehicles		
36	Goodwill		
37	Sundry Debtors		
38	Long-term Investments		
39	Shares in listed companies		
40	Prepaid Insurance		
41	Deposit with Customs Authorities		
42	Livestock		
43	Matured Debentures		
44	Cheques		
45	Stock of Finished Goods		
46	Raw Materials		
47	Trade Marks		
48	Building		
49	Calls – In – Advance		
50	Bank Overdraft		

COMPARATIVE & COMMON SIZED STATEMENTS

1. Prepare a comparative & common size statement of profit & loss.

Particulars	31.3.2026	31.3.2025
Revenue from operations	30,00,000	40,00,000
Cost of material consumed Operating Expenses (10 % of COMC)	20,00,000	22,00,000
Dividend Received	20,000	30,000
Tax	50%	50%

2. From the following information, prepare a Comparative and Common sized Income Statement:

Particulars	2025	2024
Revenue from operations	10,00,000	12,50,000
Cost of revenue from operations	5,00,000	6,50,000
Interest on investments @ Rs. 30,000		
Rate of Income Tax	50%	50%

3. Prepare a Comparative & Common Size Statement of Profit/Loss.

Particulars	31.3.2025	31.3.2024
Revenue from Operation	3,00,000	2,00,000
Cost of Revenue from operation	1,20,000	80,000
Employee benefit expenses	15,000	10,000
Interest on Investment	20,000	30,000
Tax Rate	50%	40%

4. Prepare Comparative & Common sized Statement of P & L.

PARTIULARS	NOTE NO	31/3/2026	31/3/2025
Revenue from Operations		20,00,000	15,00,000
Purchases of inventory		10,00,000	8,00,000
Changes in inventory		2,00,000	1,00,000

Employee Benefit Expenses (% of Cost of Revenue from operations)		25%	20%
Tax		50%	50%

5. Following is the Comparative Statement of Profit and Loss of Nimani Ltd. for the years ended 31st March 2024 and 2025.

Particulars	2024-25(₹)	2023-24(₹)	Ab. Change	% change
Revenue from Operation: 20,00,000		?	10,00,000	50
Less. Indirect Expenses 8,00,000	8,00,000	10,00,000	?	25
Profit before tax	12,00,000	20,00,000	8,00,000	?
Tax @ 40%	?	?	?	66.67
Profit after Tax	?	?	?	66.67

6.Prepare a common size statement of profit & loss

Particulars	31/03/2025
Revenue from Operations	40,00,000
Other Expenses	4,00,000
Interest on investment	6,00,000
Employee benefit expense	8,00,000
Purchase of stock in trade	10,00,000
Changes in inventory	(2,00,000)
Taxes rate	50%

7.Prepare Comparative & Common Size Balance Sheet from the following information:

PARTICULARS	2025	2026
Share capital	20,00,000	24,00,000
Reserves & Surplus	4,00,000	2,00,000
Non-current liabilities	10,00,000	8,00,000
Current liabilities	2,00,000	4,00,000
Non-current assets	32,00,000	30,00,000
Current assets	4,00,000	8,00,000

8.Prepare Comparative Balance sheet as at 31/03/2024 & 31/03/2025

PARTICULARS	31/03/2024	31/03/2025	Absolute Change	% change
Shareholders Fund	6,00,000	?	3,00,000	?
Non-current liabilities	3,00,000	?	NIL	?
Current liabilities	?	3,00,000	2,00,000	?
TOTAL	?	?	?	?
Non-current assets	7,00,000	?	?	50
Current assets	?	?	?	?
TOTAL	?	?	?	?

9.Prepare Common Sized Balance Sheet from the following information:

PARTICULARS	31/03/2025
Shareholders Fund	12,00,000
Non-current liabilities	4,00,000
Current liabilities	4,00,000
Fixed assets	14,00,000
Current assets	6,00,000