

Dr. UTTAM KUMAR
S.R.A.P College, Barachakia
Class:-B.Com Part 3
Subject:-Management



Problem 8

If Current Liabilities are ₹ 30,000, Current Ratio 2.25 times and Liquid Ratio 1.25 times. Calculate Current Assets, Liquid Assets and Stock-in-trade.

$$\text{Current Ratio} = \frac{\text{C.A.}}{\text{C.L.}}$$

$$2.25 = \frac{\text{C.A.}}{30,000}$$

$$\text{Current Assets (C.A.)} = ₹ 30,000 \times 2.25 = ₹ 67,500$$

$$\text{Liquid Ratio} = \frac{\text{L.A.}}{\text{C.L.}}$$

$$1.25 = \frac{\text{L.A.}}{30,000}$$

$$\text{Liquid Assets (L.A.)} = ₹ 30,000 \times 1.25 = ₹ 37,500$$

$$\text{Stock} = \text{C.A.} - \text{L.A.}$$

$$= ₹ 67,500 - 37,500 = ₹ 30,000$$

Problem 9

Calculate Average Collection Period from the following :

	₹
Total Sales	1,50,000
Cash Sales	30,000
Sales Return	10,500
Debtors (31.12.2012)	13,500
B/R (31.12.2013)	3,000

Solution

$$\begin{aligned} \text{Average Collection Period} &= \frac{\text{Total Receivable}}{\text{Net Credit Sales}} \times 365 \\ &= \frac{(13,500 + 3,000)}{(1,50,000 - 30,000 - 10,500)} \times 365 \\ &= \frac{16,500}{1,09,500} \times 365 = 55 \text{ days.} \end{aligned}$$

Problem 10

Determine the amount of gross profit from the following data :

Average Stock	₹ 1,00,000
Stock Turnover Ratio	5 times
Selling Price	25% above cost

Solution

$$\text{Stock Turnover Ratio} = \frac{\text{Cost of Goods Sold}}{\text{Average Stock}}$$

$$5 = \frac{\text{Cost of Goods Sold}}{1,00,000}$$

$$\therefore \text{Cost of Goods Sold} = ₹ 5,00,000$$

$$\text{SP} = 25\% \text{ above Cost}$$

$$\text{i.e.,} \quad = 5,00,000 + 5,00,000 \times \frac{25}{100}$$