Chapter 3 Tools for Financial Analysis: Comparative Statements

Question 1

Following is the balance sheet of X Ltd. as on 31st March 2019 and 2018.

Particulars	Note No.	31.03.2019	31.03.2018
		₹	₹
I EQUITY AND LIABILITIES:			
Shareholder's Funds:			
(a) Share Capital		10,00,000	5,00,000
(b) Reserves and Surplus		2,00,000	3,00,000
Non-Current Liabilities			
Long Term Borrowings		8,00,000	2,00,000
Current Liabilities			
Trade Payables		4,00,000	2,00,000
TOTAL		24,00,000	15,00,000
II.ASSETS:			
Non-Current Assets			
Fixed Assets:			
1.Tangible Assets		14,00,000	8,00,000
2. Intangible Assets		3,00,000	2,00,000
Current Assets			
A. Inventories		5,00,000	4,00,000
B. Cash and Cash Equivalents		2,00,000	1,00,000
TOTAL		24,00,000	15,00,000

Solution:

COMPARATIVE BALANCE SHEET OF X LTD.

As at 31st March 2018 and 2019

Particulars	Note No.	31.03. 2018	31.03. 2019	Absolute Change (< or >)	Percentage Change (< or >)
1		2	3	4	5
		A	B	(B–A=C)	C/A X 100 =

					D
I. EQUITY AND LIABILITIES:		₹	₹	₹	₹
1. Shareholder's Funds:					
a. Share capital		5,00,000	10,00,000	5,00,000	100.00 (1)
b. Reserves and Surplus		3,00,000	2,00,000	(1,00,000)*	(33.33) (2)
2.Non-Current Liabilities:					
Long Term Borrowings		5,00,000	8,00,000	3,00,000	60.00
3. Current Liabilities:					
Trade Payables		2,00,000	4,00,000	3,00,000	100.00
TOTAL		15,00,000	24,00,000	9,00,000	60.00
II. ASSETS:					
1. Non-Current Assets:					
Fixed Assets:					
01. Tangible Assets		8,00,000	14,00,000	6,00,000	75.00
02. Intangible Assets		2,00,000	3,00,000	1,00,000	50.00
2. Current Assets:					
A.Inventories		4,00,000	5,00,000	1,00,000	25.00
B. Cash and Cash Equivalents		1,00,000	2,00,000	1,00,000	100.00
TOTAL		15,00,000	24,00,000	9,00,000	60.00

Question 2

What is a Comparative Statement of P&L?

Answer: A Comparative Statement of P&L depicts the figures of revenue from operations, expenses, incomes and net profit or loss for a number of years so that the changes in absolute data in terms of money as well as in terms of percentages may be known.