

A - PPLIED F INANCIAL S TATEMENT

A NALYSIS

A - SSIGNMENT - 2

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Revenue from Operation:-

Revenue from operation is the amount of money a company earns from selling its products or services.

Other income:-

The next category refers to the other income or the miscellaneous income of the business, which includes the income generated from the company's various investment such as interest or dividend income.

Expenses:-

Cost deducted from revenue such as the cost of goods sold (COGS), wages, Rent, Marketing, administration cost, utilities, interest expenses and depreciation.

Cost of materials consumed

Cost of materials consumed is the first entry or line item in the "Expenses" Part of the statement of Profit and loss.

Purchase of stock-in-trade

Purchase of stock-in-trade refer is the purchase of finished goods that the company buys toward conducting in business.

Changes in inventories of finished goods.
work-in-Progress and stock-in-trade

Change in inventories of finished goods refers to the costs of manufacturing incurred by the company in the past, but the goods manufactured in the past were sold in the present/current financial year.

Financial cost:

Financial cost (FC) also known as cost of Finance (COF) is the cost interest and other charges involved in the borrowing of money to build or purchase assets.

Depreciation and Amortization Expenses;

The term depreciation means to diminish in value over time while the term amortize means gradually write off a cost over a period. A impairment cost must be included under expenses when the book value of an assets exceeds the recoverable amount.

Employee benefit Expenses

Employee benefit expenses means expenses incurred on Employees.

Impairment loss

An impairment loss is the amount by which the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount.

Other expenses

Administrative expenses like depreciation cost, employee costs, marketing and distribution cost, selling cost, research and development cost.

Profit before tax from operations;

Profit Before tax (PBT) is a financial metric that measures a company's profitability before deducting taxes.

Tax expenses;

Tax Expenses are the total amount of taxes owed by an individual, corporation or other entity to a taxing authority.

Current Tax;

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period.

Deferred Tax

Deferred tax (DT) means DTA can be realized only when the company realizes

estimate sufficient future taxable income

Profit for the year:

The Profit and loss for the year measure net resource (after consideration of capital depreciation) staying in the company at conclusion of the exercise.

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