APPLIED FINANCIAL STATEMENT ANALYSIS

ASSIGNMENT - 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 depreciations

cost of raw and Packing materials consumed

case of material consumed is the first entry or line item in the "Expenses" pass of the statement of profit and loss

Purchase of stock in trade:

Purchase of stock in trade refer is all the purchases of finished goods that the company buys toward conducting in Business

Change 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 the 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.

other expenses:

Administrative expenses like depreciation cost, employee costs, marketing and distributing 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 expense 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.

Defered tax:

Defered tax (DT) means DTA can be realised only when the company reliable estimate sufficient future taxable income.

Prior year tax adjustment:.

They are intended to correct accounting errors, financial problems, and forgotten data from Previous Periods. Because the inaccuracies have already had an impact on the balance sheet and income statement. the correction must be done to the cash flows or equity value on the declaration of maintained Profits. This adjustment will modify the retained Profits holding balance and fix it as if the reporting had been done correctly in Previous Periods.

Income tax expenses:.

A tax expenses are the total amount of taxes owed by an individual, corporation. or other entity to a taxing authority. Income tax expenses is calculated by multiplying taxable income by the effective tax rate.

Profit for the year:.

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