

**Exercise 1**

From the following:

- prepare a balance sheet and calculate the share capital;
- prepare an income statement
- calculate partial profit or loss.

Customers CZK 280.000; Goods (inventory) in stock 350.000 CZK; Interest on deposits CZK 3.000; Buildings 600.000 CZK; Long-term bank loans CZK 400.000; Employees CZK 270.000; Loan interest CZK 8.000; Shortages and damages CZK 6.000; Sales of goods 500.000 CZK; Suppliers CZK 370,000; Bank accounts CZK 400.000, Repairs CZK 15.000.

<b>Balance sheet in thousands of CZK</b>			
<i>Assets</i>		<i>Liabilities</i>	
<b>Total assets</b>		<b>Total liabilities</b>	

<b>Income statement in thousands of CZK</b>			
<i>Expenses</i>	<i>CZK</i>	<i>Revenues</i>	<i>CZK</i>
<b>Total costs</b>		<b>Total revenues</b>	
<b>Profit or loss</b>			

<b>Item</b>	<b>Thousands of CZK</b>
Operating profit or loss	
Financial profit or loss	
Profit or loss for the accounting period	

**Exercise 2**

<b>Items</b>	<b>Units</b>
Number of products produced	20 pcs
Number of products sold	16 pcs
Cost of manufactured products (production price)	200 CZK
The amount for which the products were sold (selling price)	360 CZK

Find out:

1. how much are the company's revenues
2. how much are the company's costs
3. the economic result of the enterprise
4. cost effectiveness of the company
5. revenue profitability of the company

**Exercise 3**

<b>Items</b>	<b>Units</b>
Number of products produced	20 pcs
Number of products sold	20 pcs
Cost of manufactured products (production price)	200 CZK
The amount for which the products were sold (selling price)	400 CZK

Find out:

1. how much are the company's revenues
2. how much are the company's costs
3. the economic result of the enterprise
4. cost effectiveness of the company
5. revenue profitability of the company

**Exercise 4**

The manufacturer planned and found the following values in material consumption in his company:

<b>Item</b>	<b>Unit</b>	<b>Price</b>
Material consumption	Kg	CZK per kg
Planned situation	400	20
Real situation	450	25

1. Calculate the actual cost
2. Calculate the planned costs
3. Calculate the total cost variance in monetary units.
4. Calculate how the price increase contributed to the total variance (price variance)
5. Calculate how consumption growth contributed to the total variance (quantity variance)

**Exercise 5**

<b>Items</b>	<b>Units</b>
Calculated material consumption	180 CZK
Production plan	10.000 toys
Real production	9.600 toys
Budgeted consumption of basic material	900 000 CZK
Actual consumption of basic material	840 000 CZK

- Assess the level of economy achieved in glove manufacturing.

**Exercise 6**

<b>Items</b>	<b>Units</b>
Sales	600.000 CZK
Air freight costs (material consumption, purchased services, depreciation, labor costs)	200.000 CZK
Profit tax	20.000 CZK
The net profit	48.000 CZK
Invested capital	2.400.000 CZK
Foreign resources (mainly bank loans)	1/3 of capital
Interest rate of bank loans	5 %
Required appreciation of equity capital by business owners	9 %
Income tax rate	20 %

The airline achieved the following results in the period under review:

- Calculate the amount of return on equity and interpret the result.
- Calculate the amount of economic added value and interpret the result.

**Exercise 7**

<b>Items</b>	<b>Units</b>
Purchase price of goods	200.000 CZK
Selling price of goods	240.000 CZK
Replacement cost	212.000 CZK
Opportunity costs	20 % of return on costs

- Express the cost of goods sold depending on their financial, value and economic concept.
- Find out the trade margin (profit) from the sale of goods.

**Exercise 8**

Mr. Smith decided to do business as a craftsman.

Items	Units
Annual earnings	1.000.000 CZK
Production and other costs	600.000 CZK
Invested capital	2.000.000 CZK
Interest rate on invested capital	8 %
Lost monthly salary due to business	30.000 CZK

- Calculate accounting and economic profit.

**Example 9**

The manufacturing company has the following production data for its product:

1. total fixed costs CZK 80.000
2. Total variable costs 60.000 CZK
3. price of 1 product 80 CZK
4. quantity produced - capacity 4.000 pcs
5. planned production range 3.400 pcs

**Calculate:**

- (1) production volume for break-even point;
- 2) single (absolute) margin,
- 3) contribution to sales,
- 4) Reversal turnover
- 5) margin of safety.