



Jihočeská univerzita
v Českých Budějovicích
University of South Bohemia
in České Budějovice

FINANCIAL STATEMENTS



TESTS: 1 - 7

Jihočeská univerzita v Českých Budějovicích
Branišovská 1645/31a
370 05 České Budějovice
IČ: 60076658



EVROPSKÁ UNIE
Evropské strukturální a investiční fondy
Operační program Výzkum, vývoj a vzdělávání



MINISTERSTVO ŠKOLSTVÍ,
MLÁDEŽE A TĚLOVÝCHOVY



1 TEST 1

1.	Determine what type of accrual is in the case of the estimated amount of electricity consumption (estimated 2019 consumption as of the balance sheet date - ie 31.12.2019): A – Estimated Accounts Active B – Accruals - expenditures C – Accruals - income D – Estimated Accounts Passive	2	
2.	How it will be reflected in the cash flow statement using the indirect method in operating activities creation of adjustments and increase in inventories: A - adjustments +, inventory - B - adjustments +, inventory + C - adjustments -, inventory + D - adjustments -, inventory -	2	
3.	Explain the nature and reasons for accounting harmonization.	3	
4.	What accounting entities are subject to audit of the financial statements?	3	
5.	Task: Determine the cash flow from financial activities (including its items) based on the above mentioned accounting cases. <u>Accounting transaction, amount in CZK:</u> 1. Internal document: a) dividend regulation for the previous accounting period 450 000, - b) the recording of withholding tax on dividends - 15% ...? 2. Bank document: received dividends from the subsidiary 750 000, - 3. Internal document: depreciation of fixed assets 1 250 000, - 4. Internal document: creation of allowances for inventories 125 000, - 5. Delivery invoice bill for goods: a) taxable amount 250,000, - b) VAT 21% ...?	10	



2 TEST 2

1.	<p>Accounting of accrued income will increase in the current period:</p> <p>A – State of the money in the bank account</p> <p>B – Expenditure (outflow)</p> <p>C – Revenue</p> <p>D – Income (inflow)</p>	2																																																													
2.	<p>Fair value "Fair value" is defined in IFRS as:</p> <p>A – the discounted value of future asset flows</p> <p>B – the amount of sales negotiated between the buyer and the seller on the market</p> <p>C – the amount under the sale of the asset or services</p> <p>D – the amount for which the asset can be exchanged between knowledgeable and willing parties under normal conditions</p>	2																																																													
3.	<p>What basic methods of financial analysis of absolute indicators do you know - describe them.</p>	3																																																													
4.	<p>Briefly describe the profit and loss statement.</p>	3																																																													
5.	<p>Task: You have a balance sheet of the beginning year and accounting transaction after the accounting period. Specify the amount and structure of statement of equity.</p> <table border="1" data-bbox="284 1451 1342 2002"> <thead> <tr> <th colspan="3">Assets</th> <th colspan="3">Equity/liabilities</th> </tr> <tr> <th></th> <th>Brutto</th> <th>Correc- tion</th> <th>Netto</th> <th></th> <th>Netto</th> </tr> </thead> <tbody> <tr> <td>Receivables for the subscribed capital</td> <td>1 000</td> <td></td> <td>1 000</td> <td>Equity</td> <td></td> </tr> <tr> <td>Non - current assets</td> <td></td> <td></td> <td></td> <td>Basic capital</td> <td>1 500</td> </tr> <tr> <td>Machines</td> <td>800</td> <td>200</td> <td>600</td> <td>Reserve fund</td> <td>200</td> </tr> <tr> <td>Lands</td> <td>1000</td> <td></td> <td>1000</td> <td>Economic result</td> <td>500</td> </tr> <tr> <td>Current assets</td> <td></td> <td></td> <td></td> <td>Liabilities</td> <td></td> </tr> <tr> <td>Goods</td> <td>500</td> <td></td> <td>500</td> <td>Liabilities - suppliers</td> <td>1 800</td> </tr> <tr> <td>Material</td> <td>300</td> <td>100</td> <td>200</td> <td></td> <td></td> </tr> <tr> <td>Receivables</td> <td>200</td> <td></td> <td>200</td> <td></td> <td></td> </tr> </tbody> </table>	Assets			Equity/liabilities				Brutto	Correc- tion	Netto		Netto	Receivables for the subscribed capital	1 000		1 000	Equity		Non - current assets				Basic capital	1 500	Machines	800	200	600	Reserve fund	200	Lands	1000		1000	Economic result	500	Current assets				Liabilities		Goods	500		500	Liabilities - suppliers	1 800	Material	300	100	200			Receivables	200		200			10	
Assets			Equity/liabilities																																																												
	Brutto	Correc- tion	Netto		Netto																																																										
Receivables for the subscribed capital	1 000		1 000	Equity																																																											
Non - current assets				Basic capital	1 500																																																										
Machines	800	200	600	Reserve fund	200																																																										
Lands	1000		1000	Economic result	500																																																										
Current assets				Liabilities																																																											
Goods	500		500	Liabilities - suppliers	1 800																																																										
Material	300	100	200																																																												
Receivables	200		200																																																												



Bank account	500		500		
Accruals				Accruals	
TOTAL	4 300	300	4 000	TOTAL	1 000

Accounting operations (in thousands of CZK):

1. cost of the year - 800
2. Revenues of the year - 1 000
3. received non-monetary gift (machine) - 150
4. Payment of dividends - 80
5. the claim for subscribed capital was repaid with 400
6. The remainder of the profit of the year 200X was transferred to the previous years

Solution:

Items:	Amount (in thousands CZK) - final balance
TOTAL:	



3 TEST 3

1.	Liabilities to the tax office are not incurred by the entity due to: A - road tax payments B - reimbursement of income tax from dependent activity C - the payment of deductions for the benefit of other persons D - corporation tax payments	2	
2.	The balance sheet records the asset data broken down by: A - by operations, financial, extraordinary B - by liquidity to gross, correction, net C - by operations, investment, financial D - by ownership of own, foreign	2	
3.	What are International accounting rules?	3	
4.	Describe the direct method in the statement of cash flows.	3	
5.	Task: On the basis of the above mentioned accounting transaction (in CZK) find items of Profit/loss statement. <u>Accounting transaction, amount in CZK</u> 1. Increase of incomplete production, internal document: 310 000, - 2. Completed products were transferred from production to finished goods warehouse, internal document: a) decrease of incomplete production: 310 000, - b) Increase in finished products: 350 000, - 3. Issued invoice to buyers for products: 450 000, - 4. Loss of products from the warehouse, internal document: 350 000, - 5. Road Tax Code, internal document: 5 000, - 9. According to the bank statement (Crown and Foreign Exchange): a) interest on the deposit of: 45,000, - b) payment of interest on the loan: 20,000, -	10	



- c) payment of bank fees for account maintenance: 5 000, -
- d) payment to foreign suppliers (invoiced amount 5 000, - EURO, exchange rate 27,5 CZK / EURO) ...?
- 10. The exchange rate difference (invoiced amount of EUR 5,000, EURO 28 / EUR), internal document: ...?
- 11. Write off receivables from trade receivables, internal document: 150,000, -
- 12. Sale of securities:
 - a) acquisition cost: 45,000, -
 - b) sales proceeds: 55,000, -

Solution:

Item	Amount (CZK)
Operating activity:	
- expenses	
- revenues	
- profit/loss	
Financial activity:	
- expenses	
- revenues	
- profit/loss	
TOTAL profit/loss	



4 TEST 4

1.	<p>The preparation of financial statements according to IFRS / IAS in the Czech Republic is mandatory:</p> <p>A - joint stock companies</p> <p>B - the company subject to audit</p> <p>C - companies that are issuers of securities registered in a regulated securities market in the EU Member States</p> <p>D - companies exceeding assets of CZK 40 million, a turnover of CZK 80 million and a recalculated number of 50 employees - for the period immediately preceding the fulfillment of two of the above mentioned criteria</p>	2																																																							
2.	<p>A variable cost breakdown in the profit and loss statement is possible:</p> <p>A - tax, type</p> <p>B - purpose, tax</p> <p>C - tax, purpose</p> <p>D - type, purpose</p>	2																																																							
3.	Describe the profitability indicators.	3																																																							
4.	Describe the activities (segments) of the statement of cash flows.	3																																																							
5.	<p>Task: Calculate profitability ratios (3 ratios) from this balance sheet.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: left;">Assets</th> <th colspan="3" style="text-align: left;">Equity/liabilities</th> </tr> <tr> <th></th> <th style="text-align: center;">Brutto</th> <th style="text-align: center;">Correc- tion</th> <th style="text-align: center;">Netto</th> <th></th> <th style="text-align: center;">Netto</th> </tr> </thead> <tbody> <tr> <td colspan="3">Non - current assets</td> <td colspan="3">Equity</td> </tr> <tr> <td>Buildings</td> <td style="text-align: center;">2 000</td> <td style="text-align: center;">1 000</td> <td style="text-align: center;">1 000</td> <td>Basic capital</td> <td style="text-align: center;">1 500</td> </tr> <tr> <td>Machines</td> <td style="text-align: center;">800</td> <td style="text-align: center;">200</td> <td style="text-align: center;">600</td> <td>Reserve fund</td> <td style="text-align: center;">200</td> </tr> <tr> <td>Lands</td> <td style="text-align: center;">1 000</td> <td></td> <td style="text-align: center;">1 000</td> <td>Economic result (Revenues 2 500, expense 2 000)</td> <td style="text-align: center;">500</td> </tr> <tr> <td colspan="3">Current assets</td> <td colspan="3">Liabilities</td> </tr> <tr> <td>Goods</td> <td style="text-align: center;">500</td> <td></td> <td style="text-align: center;">500</td> <td>Liabilities - suppliers</td> <td style="text-align: center;">1 650</td> </tr> <tr> <td>Material</td> <td style="text-align: center;">300</td> <td style="text-align: center;">100</td> <td style="text-align: center;">200</td> <td>Liabilities - tax</td> <td style="text-align: center;">150</td> </tr> </tbody> </table>	Assets			Equity/liabilities				Brutto	Correc- tion	Netto		Netto	Non - current assets			Equity			Buildings	2 000	1 000	1 000	Basic capital	1 500	Machines	800	200	600	Reserve fund	200	Lands	1 000		1 000	Economic result (Revenues 2 500, expense 2 000)	500	Current assets			Liabilities			Goods	500		500	Liabilities - suppliers	1 650	Material	300	100	200	Liabilities - tax	150	10	
Assets			Equity/liabilities																																																						
	Brutto	Correc- tion	Netto		Netto																																																				
Non - current assets			Equity																																																						
Buildings	2 000	1 000	1 000	Basic capital	1 500																																																				
Machines	800	200	600	Reserve fund	200																																																				
Lands	1 000		1 000	Economic result (Revenues 2 500, expense 2 000)	500																																																				
Current assets			Liabilities																																																						
Goods	500		500	Liabilities - suppliers	1 650																																																				
Material	300	100	200	Liabilities - tax	150																																																				



Receivables	200		200		
Bank account	500		500		
TOTAL				TOTAL	

Solution:

Name of ratio + methodology of calculation	Result + describe



5 TEST 5

1.	The "correction" in balance sheet means: A - gross increase in depreciation and provisions B - gross impairment by depreciation and provisions C - increase in net of depreciation and provisions D - net of depreciation and allowances	2																									
2.	The company decided to make the allocation to the reserve fund from its own resources: A - the reserve fund will be increased from retained earnings B - the reserve fund will be created as a current period cost, C - the reserve fund will consist of a shareholder contribution, D - the reserve fund will be accrued as a deferred expense.	2																									
3.	Describe the liquidity indicators.	3																									
4.	What is the process of closing books at the end of the accounting period?	3																									
5.	<p>Business entity (business entity, non-payer of VAT, booking of inventory in way A) has the following opening balances (in CZK thousand) as of 1 July 200X:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Individual movables</td> <td style="width: 10%; text-align: right;">430</td> <td style="width: 50%;">Basic capital</td> <td style="width: 10%; text-align: right;">?</td> </tr> <tr> <td>Cash</td> <td style="text-align: right;">150</td> <td>Bank loans</td> <td style="text-align: right;">470</td> </tr> <tr> <td>Goods</td> <td style="text-align: right;">350</td> <td>Suppliers</td> <td style="text-align: right;">125</td> </tr> <tr> <td>Bank account</td> <td style="text-align: right;">750</td> <td>Accumulated depreciation to individual movables</td> <td style="text-align: right;">230</td> </tr> <tr> <td>Receivables</td> <td style="text-align: right;">180</td> <td>Reserves</td> <td style="text-align: right;">235</td> </tr> <tr> <td></td> <td></td> <td>Deferred expenses</td> <td style="text-align: right;">400</td> </tr> </table> <p>Profit for the first half of the year 200x (profit) 250</p> <p>In July of the year there were the following <u>accounting cases</u> (in thousands CZK):</p> <p>1) Invoice for goods that have been taken to the warehouse 200</p>	Individual movables	430	Basic capital	?	Cash	150	Bank loans	470	Goods	350	Suppliers	125	Bank account	750	Accumulated depreciation to individual movables	230	Receivables	180	Reserves	235			Deferred expenses	400	10	
Individual movables	430	Basic capital	?																								
Cash	150	Bank loans	470																								
Goods	350	Suppliers	125																								
Bank account	750	Accumulated depreciation to individual movables	230																								
Receivables	180	Reserves	235																								
		Deferred expenses	400																								



- | | |
|--|-------|
| 2) Sale of invoice goods | 250 |
| 3) Goods dispatched | 150 |
| 4) Bank account: payment of supplier's invoice for goods | ... ? |
| 5) Accounting of the proportion of the extraordinary leasing payment | 125 |

Task: Based on this data, compile the assets of the balance sheet at the end of the reporting period:

Solution:

Assets			
	Brutto	Correction	Netto
Non-current assets			
Current assets			
Accruals			
TOTAL			



6 TEST 6

1.	Breakdowns for operating, investment and financial activities are found in the financial statement: A - Profit and Loss Statement B - Statement of Cash Flows C - Statement of Equity D - Balance sheet	2																					
2.	The formal and content statement of the financial statements states: A - Accounting Act No. 563/1991 Coll. B - Czech Accounting Standards C - Notice No. 500/2002 Coll. D - The entity determines itself	2																					
3.	Describe the debt ratios.	3																					
4.	Classify costs (expenses).	3																					
5.	The enterprise has the following cost account balances at the end of the reporting period: <table border="1" data-bbox="268 1420 1362 1899"><thead><tr><th>Items</th><th>Amount (th. CZK)</th></tr></thead><tbody><tr><td>Expenses – operating activity; of which (non-taxable costs):</td><td></td></tr><tr><td> 512/2 – travel cost above the limit</td><td>750</td></tr><tr><td> 513 - representation costs</td><td>50</td></tr><tr><td> 551 - depreciation (accounting)</td><td>15</td></tr><tr><td> 559 - creation of adjustments</td><td>200</td></tr><tr><td></td><td>150</td></tr><tr><td>Revenues – operating activity</td><td>1 000</td></tr><tr><td>Tax depreciation</td><td>150</td></tr><tr><td>Tax rate:</td><td>24 %</td></tr></tbody></table>	Items	Amount (th. CZK)	Expenses – operating activity; of which (non-taxable costs):		512/2 – travel cost above the limit	750	513 - representation costs	50	551 - depreciation (accounting)	15	559 - creation of adjustments	200		150	Revenues – operating activity	1 000	Tax depreciation	150	Tax rate:	24 %	10	
Items	Amount (th. CZK)																						
Expenses – operating activity; of which (non-taxable costs):																							
512/2 – travel cost above the limit	750																						
513 - representation costs	50																						
551 - depreciation (accounting)	15																						
559 - creation of adjustments	200																						
	150																						
Revenues – operating activity	1 000																						
Tax depreciation	150																						
Tax rate:	24 %																						



Task: Based on the above, calculate:

- accounting profit or loss
.....
- the tax base
.....
- tax liability of income tax
.....
- available profit or loss
.....



7 TEST 7

1.	After which the balance is changed after the accounting transaction: A - by posting an invoice for the purchase of the material B - increasing reserve fund from retained earnings C - payment of the invoice by the customer to the bank account D - payment of the bank credit invoice	2									
2.	Amortization and adjustments can be found in the balance sheet for liabilities in the column: A - netto B - brutto C - correction D - anywhere	2									
3.	Describe activity ratios.	3									
4.	What are IAS / IFRS?	3									
5.	Trading company shows in its accounting evidence: <ul style="list-style-type: none">• trade liabilities: 310 000 CZK,• trade receivables: 300 000 CZK,• cash: 265 000 CZK,• goods at the stock: 420 000 CZK,• short-term bank credits: 450 000 CZK,• cash on the bank account: 350 000 CZK,• debts to employees: 55 000 CZK,• capital funds: 20 000 CZK,• long-term financial investment: 200 000 CZK,• economic profit from previous accounting period: 200 000 CZK,• common stock (basic capital): ... ?. <u>Accounting transaction, amount in CZK:</u> <table><tr><td>1. Revenues from bonds in cash</td><td>20 000,-</td></tr><tr><td>2. Purchase of car in cash</td><td>200 000,-</td></tr><tr><td>3. Depreciation of car</td><td>50 000,-</td></tr><tr><td>4. Recognized wages to employees</td><td>75 000,-</td></tr></table>	1. Revenues from bonds in cash	20 000,-	2. Purchase of car in cash	200 000,-	3. Depreciation of car	50 000,-	4. Recognized wages to employees	75 000,-	10	
1. Revenues from bonds in cash	20 000,-										
2. Purchase of car in cash	200 000,-										
3. Depreciation of car	50 000,-										
4. Recognized wages to employees	75 000,-										

