

**FINANCIAL STATEMENT ANALYSIS****Duration: 3 Hours****Max. Marks: 60****Instructions:**

- *Figures to the right indicate maximum marks.*
- *Start each question on a fresh page*
- *All questions are compulsory*

**Q.1. Write a short note any Four of the following:****(4\*4=16)**

- a) Financial Reporting
- b) Financial Statement Analysis
- c) Corporate Governance with respect of audit committee
- d) Extensible Business Reporting Language
- e) Liquidity Ratio

**Q.2. From the following information of Hindustan Aeronautics Ltd, you are required to prepare Common Size Balance Sheet and Income Statement for the year ended 31-03-2016:**

**(12)**

<b>Particulars</b>	<b>Amount (Rs.)</b>
Equity Share Capital	20,00,000
Reserves & Surplus	11,50,000
Trade Payables	2,60,000
Long term borrowings	10,00,000
Tangible Assets	33,00,000
Short term Loan and Advances	1,00,000
Non Current Investments	4,80,000
Trade Receivables	4,30,000
Cash and Cash Equivalence	1,00,000
Sales	19,00,000
Finance Cost	1,00,000
Provision for Taxation	1,20,000
Other Income	10,000
Other Expenses	7,40,000
Depreciation	6,00,000
Retained Earning	3,60,000

Q.3. From the following information of Shikre Ltd, you are required to prepare Comparative Balance Sheet for the year 2015-2016 and give your comments. (12)

Balance Sheet as on 31<sup>st</sup> December 2015 and 2016

Liabilities	2015 Rs.	2016 Rs.	Assets	2015 Rs.	2016 Rs.
Share Capital:			Fixed Assets	90,000	1,20,000
Equity share capital	1,05,000	2,50,000	Investment	20,000	80,000
Reserve and Surplus	10,000	1,80,000	Prepaid Expenses	12,000	10,000
10% Debentures	1,00,000	50,000	Stock	2,68,000	2,40,000
Bank overdraft	45,000	-	Debtors	80,000	1,60,000
Sundry creditors	2,00,000	90,000	Cash	10,000	30,000
Provision for taxation	25,000	70,000	Preliminary Expense	5,000	-
	<b>4,85,000</b>	<b>6,40,000</b>		<b>4,85,000</b>	<b>6,40,000</b>

Q.4. Answer any two from the following:

(2\*10=20)

a. Compute the ratio's from the given below information:

Particulars	Amt (Rs.)
Equity Share Capital	3,00,000
Preference Share Capital	1,00,000
General Reserve	1,00,000
Profit and Loss Account	50,000
Debenture	3,000
Sundry Creditors	4,00,000
Bills Payable	2,00,000
Bank Overdraft	1,00,000
Fixed Assets	7,00,000
Investment (long term)	1,00,000
Marketable Securities	50,000
Stock	1,00,000
Sundry Debtors	3,00,000
Cash at Bank	50,000
Net Profits	41,300
Net Sales	8,00,000

Calculate: 1. Current Ratio.

2. Quick Ratio.

3. Proprietary Ratio.

4. Net Profit Ratio

5. Stock Working Capital Ratio.

b. Summarized is the Profit and Loss account for the year ended 31/03/2015 of Global Resource Ltd.

PARTICULARS	AMOUNT (Rs.)
<b>Income:</b>	
Sales	28525
Other Income	756
<b>TOTAL</b>	<b>29281</b>
<b>Expenditure:</b>	
Operating cost	25658
Excise duty	1718
Interest on bank overdraft	93
Interest on 10% debentures	1157
<b>TOTAL</b>	<b>28626</b>
<b>Profit before Depreciation</b>	<b>655</b>
Less: Depreciation	(255)
Profit before taxation	400
Provision for taxation	(275)
Profit after tax	125
Less: Transfer to fixed asset replacement reserve	(25)
	100
Less: Dividend paid and payable	(45)
Retained Profit	55

Notes:

1. This represents the invoice value of goods supplied after deducting discounts, returns and sales tax.
2. Operating cost includes Rs. 10,247 as wages, salaries and other benefits to employees.
3. The bank overdraft is treated as temporary source of finance.
4. The charge for taxation includes a transfer of Rs.45 to the credit of deferred tax account.

Prepare Value Added Statement for the year ended 31/03/2015.

C. State and Explain the component of Corporate Annual Report.

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