

Vidya Vikas Mandal's
Shree Damodar College of Commerce & Economics, Margao-Goa
S.Y.B.Com Semester-IV, Semester End Examination, April 2018
FINANCIAL ACCOUNTING

Duration: 2 hrs

Marks: 80

Q1. Present the following Balance Sheet as per Schedule III of the Companies Act 2013 :

Balance Sheet as on 31st March 2018

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Liabilities	Rs.	Assets	Rs.
Equity Share Capital	3,00,000	Goodwill	40,000
Securities Premium	10,000	Land & Building	1,60,000
General Reserve	1,20,000	Plant	88,000
Profit & Loss A/c	34,000	Furniture	6,000
10% Debentures	1,00,000	Trade Investments	1,60,000
Bank Loan	70,000	Marketable Investments	1,40,000
Bank Overdraft	40,000	Inventories	1,20,000
Sundry Creditors	1,20,000	Prepaid Expenses	10,000
Provision for Taxation	20,000	Sundry Debtors	50,000
		Bank	30,000
		Preliminary Expenses	10,000
	8,14,000		8,14,000

2. From the Final Accounts given below, calculate the following ratios :

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- a) Current Ratio b) Quick Ratio c) Gross Profit Ratio d) Stock Turnover Ratio
e) Debtors Turnover Ratio f) Net Profit Ratio

Balance Sheet as on 31st March 2017

Liabilities	Rs.	Assets	Rs.
Equity Share Capital	6,00,000	Goodwill	2,00,000
10% Pref. Share Capital	2,00,000	Plant & Machinery	5,00,000
Reserves & Surplus	2,50,000	Furniture	3,00,000
8% Debentures	4,00,000	Vehicles	2,00,000
Unsecured Loans	4,00,000	Sundry Debtors	3,00,000
Sundry Creditors	3,00,000	Bills Receivable	2,00,000
Provision for Taxation	60,000	Stock	3,00,000
		Cash & Bank	1,50,000
		Prepaid Expenses	60,000
	22,10,000		22,10,000

Profit & Loss A/c for the year ended 31st March 2017

	Rs.		Rs.
To Opening Stock	2,00,000	By Sales	43,10,000
To Purchases	36,00,000	By Closing Stock	3,00,000
To Manufacturing Expenses	3,00,000		
To Administrative Expenses	2,00,000		
To Selling Expenses	1,60,000		
To Finance Expenses	1,00,000		
To Net Profit	50,000		
	46,10,000		46,10,000

3. From the following Balance Sheets, prepare Comparative Balance Sheets as per Schedule III of the Companies Act 2013 : 20

Liabilities	2016 Rs.	2017 Rs.	Assets	2016 Rs.	2017 Rs.
Share Capital	1,00,000	1,50,000	Land & Building	80,000	75,000
General Reserve	60,000	10,000	Machinery	42,000	85,000
Profit & Loss A/c	5,000	30,000	Furniture	7,000	6,000
Bank Overdraft	-	65,000	Investments	6,000	12,000
Mortgage Loan	-	40,000	Stock	27,500	94,500
Provision for Tax	10,000	15,000	Debtors	46,500	77,250
Creditors	30,000	20,000	Bank	2,000	7,250
Bills Payable	10,000	30,000	Preliminary Expenses	4,000	3,000
	2,15,000	3,60,000		2,15,000	3,60,000

4. a) From the following Balance Sheets prepare a Schedule of Changes in Working Capital : 10

Liabilities	2016 Rs.	2017Rs.	Assets	2016 Rs.	2017 Rs.
Share Capital	1,20,000	1,56,000	Goodwill	-	12,000
General Reserves	30,000	35,000	Land & Building	89,100	86,550
Profit & Loss A/c	23,814	24,732	Machinery	67,770	69,720
Creditors	23,700	19,681	Sundry Debtors	51,105	43,575
Bills Payable	20,268	6,915	Advances	1,389	441
Bank Overdraft	35,706	-	Stock	66,624	58,422
Provision for Tax	24,000	30,000	Cash & Bank	1,500	1,620
	2,77,488	2,72,328		2,77,488	2,72,328

- b) From the following information, prepare a Common Size Income Statement as per the Companies Act 2013 : 10

Profit & Loss A/c for the year ended 31st December 2017

	Rs.		Rs.
To Opening Stock	50,000	By Sales	8,00,000
To Purchases	5,00,000	By Closing Stock	25,000
To Wages	1,00,000		
To Gross Profit	1,75,000		
	8,25,000		8,25,000
To Selling Expenses	50,000	By Gross Profit b/d	1,75,000
To Administrative Expenses	35,000	By Royalties	30,000
To Interest	12,500		
To Depreciation	10,000		
To Income Tax	5,000		
To Net Profit	92,500		
	2,05,000		2,05,000

- 5) Prepare Cash Flow Statement from the following Balance Sheets :

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Liabilities	2016 Rs.	2017 Rs.	Assets	2016 Rs.	2017 Rs.
Share Capital	4,30,000	5,00,000	Plant	6,25,000	7,45,000
Profit & Loss A/c	3,00,000	3,85,000	Investments	12,500	37,500
Loan	37,500	62,500	Stock	1,62,500	2,00,000
Creditors	1,37,500	1,12,500	Debtors	1,00,000	75,000
Accrued Expenses	12,500	5,000	Cash	37,500	32,500
Provision for Tax	20,000	25,000			
	9,37,500	10,90,000		9,37,500	10,90,000

- a) Dividend paid during the year - Rs.20,000
- b) Investments costing Rs.2,000 were sold for Rs.2,500
- c) Depreciation on Plant for the year was Rs.5,000
- d) Income Tax paid during the year was Rs.23,000

6. Write short notes on any FOUR of the following :

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- a) Quick Assets
 - b) Common Size Statements
 - c) Stock Turnover Ratio
 - d) Non-cash Expenses
 - e) Investing Activities
 - f) Advantages of Funds Flow Statement
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