

Vidya Vikas Mandal's
Shree Damodar College of commerce & Economics Margao Goa
S.Y.B.Com Semester -IV End Semester Examination – April 2016
Sub: - Financial Accounting

Duration:-2 hrs

Marks:-80

- Instructions: - 1) Attempt any four questions from Q.No.1 to Q.No.6.
 2) Figures to the right indicate maximum marks.
 3) Start each new question on a fresh page.

Q.1) From the following information of BFM Ltd for the years ended 31st March 2014 & 31st March 2015, Prepare Comparative Statements **(20 marks)**

Trading and profit and Loss A/c for the years ended 31st March 2009 and 2010

	2009	2010		2009	2010
To opening stock	40,000	60,000	By Net sales	3,00,000	5,00,000
To Purchases	1,50,000	4,00,000	By closing stock	60,000	1,50,000
To wages	30,000	50,000			
To carriage inward	20,000	30,000			
To manufacturing expenses	40,000	50,000			
To gross profit	80,000	60,000			
	3,60,000	6,50,000		3,60,000	6,50,000
To salaries	5,000	6,000	By gross profit c/d	80,000	60,000
To rent	4,000	5,000			
To carriage outward	6,000	5,000			
To Advertisement	10,500	6,500			
To bad debts	500	-----			
To interest	6,500	6,500			
To provision for taxation	19,000	14,000			
To net profit	28,750	17,250			
	80,250	60,250		80,250	60,250

Liabilities	2009	2010	Assets	2009	2010
Equity share capital	3,00,000	3,00,000	Fixed assets	2,16,500	3,60,000
Preference shares	-----	2,00,000	investments	25,000	40,000
General reserve	68,750	86,000	Stock	60,000	1,50,000
Debentures	50,000	25,000	Debtors	1,00,000	1,19,500
Bank loan	-----	1,00,000	Bank	40,000	73,500
Sundry creditors	16,250	25,000	Cash	8,500	5,000
Provision for tax	15,000	12,000			
	4,50,000	7,48,000		4,50,000	7,80,000

Q.2)A) From the following summary of assets & liabilities of SAK Ltd prepare Funds flow statement

Liabilities	2011	2012	Assets	2011	2012
Equity share capital	3,00,000	4,00,000	Goodwill	90,000	90,000
8% redeemable preference share capital	1,50,000	1,00,000	Land & building	2,30,000	1,70,000
General reserve	40,000	70,000	Plant	1,13,000	2,00,000
Profit & loss a/c	30,000	48,000	Debtors	1,80,000	2,30,000
Creditors	97,000	1,33,000	Cash in hand & at bank	25,000	18,000
Other current liabilities	60,000	66,000	Preliminary expenses	9,000	9,000
			Stock	60,000	1,00,000
Total	7,07,000	8,17,000	Total	7,07,000	8,17,000

Additional information:-

- 1) Depreciation of Rs 10,000 has been charged to plant & Rs 20,000 to land & building in 2012.
- 2) An interim dividend of Rs 20,000 has been paid in 2012.

(10 marks)

B) From the following information of King & Queen Ltd Prepare common size statements for the year ended 31st March 2011

Liabilities	Amount	Assets	Amount
Equity share capital	4,00,000	Land and building	1,60,000
10% Preference share capital	4,00,000	Plant & Machinery	6,00,000
12% debentures	2,00,000	Investments	2,00,000
Reserve and surplus	2,00,000	Stock	3,00,000
Proposed dividend	1,00,000	Debtors	2,00,000
Creditors	3,00,000	Cash	1,40,000
	16,00,000		16,00,000

(10 marks)

Q.3) Following is the Trial Balance of Samsung Ltd. as on 31st March, 2014:

Particulars	Dr. (Rs.)	Cr. (Rs.)
Land at cost	11,50,000	
Plant and Machinery at cost	38,50,000	
Debtors	4,30,000	
Investments	5,80,000	
Bank	2,00,000	
Gross Profit		19,00,000
Sundry Expenses	1,50,000	
Administration Expenses	3,50,000	
Selling Expenses	1,50,000	
Debenture Interest	1,00,000	
Printing and Stationery	1,70,000	
Preliminary Expenses	20,000	

Equity Share Capital(Shares of Rs. 100 each, fully paid)		15,00,000
10% Debentures		10,00,000
Capital Redemption Reserve		6,70,000
Profit and Loss A/c		3,60,000
Securities Premium		2,00,000
Creditors		2,80,000
Provision for Depreciation on Plant and Machinery		8,40,000
Provision for Taxation(for year ending 2014-15)		4,00,000
	71,50,000	71,50,000

Additional information:

- The Authorised Share Capital is 25,000 Equity Shares of Rs. 100 each.
- Depreciation is to be provided on Plant and Machinery at 20% p.a. on reducing balance method.
- Write off Preliminary Expenses in full.

Prepare Profit and Loss Statement for the year ended 31st March, 2014 and a Balance Sheet as on that date.

(20 Marks)

Q.4)A) From the following information calculate (a) Current Ratio (b) Debt Equity ratio (c) Stock turnover ratio (d) liquid ratio (10 marks)

Net sales	5,00,000
Opening stock	7,000
Closing stock	11,000
Net purchases	4,00,000
Current assets	88,000
Prepaid expenses	2,000
Current liabilities	60,000
9% debentures	3,00,000
Long term loan from bank	1,00,000
8% preference share capital	2,00,000
Equity share capital	10,00,000
Bank overdraft	5,000

B) Calculate (a) Gross Profit ratio (b) Proprietary ratio (c) Return on capital employed (d), Debtors turnover ratio (assume no of days=365) (10 marks)

Sales	43,10,000
Cost of goods sold	38,10,000
Net profit	50,000
Equity share capital	6,00,000
Reserves & surplus	4,50,000
Preliminary expenses	20,000
15% debentures	4,00,000
Bank loan	4,00,000
Fixed assets	12,00,000
Current assets	9,90,000
Current liabilities	3,60,000
Sundry debtors	5,00,000

Q.5) Following is the summary of assets & liabilities of Shiv Shakti Ltd for the years ended 31st March 2011 & 31st March 2012

Liabilities	31/03/12	31/03/11	Assets	31/03/12	31/03/11
Share capital	2,50,000	2,50,000	Land & building	1,00,000	90,000
General reserve	1,10,000	1,00,000	Plant & machinery	1,38,000	1,05,000
Profit & loss a/c	16,000	20,000	Other fixed assets	22,500	15,000
Bank loan	50,000	-----	Investments	25,000	25,000
Creditors	86,000	79,000	Stock	95,000	1,00,000
Provision for tax	15,000	22,500	Debtors	97,500	85,000
			Bank	49,000	51,500
Total	<u>5,27,000</u>	<u>4,71,500</u>	Total	<u>5,27,000</u>	<u>4,71,500</u>

The following additional information is given to you

- 1) Provide depreciation on land & building Rs 2,500 & on plant & machinery Rs 10,000.
- 2) Dividend of Rs 15,000 was paid during the year.
- 3) Machinery with a book value of Rs 7,500 was sold at a loss of Rs 1,500.
- 4) Investments costing Rs 5,000 was sold for Rs 6,000.
- 5) Provision for tax made during the year was Rs 6,000.

Prepare Cash Flow Statement during the year ended 31st March 2012

(20 marks)

Q.6) Write short notes on any four

(4x5=20)

- 1) Common size statement
- 2) Cash flow statement
- 3) Trend analysis
- 4) Ratio analysis
- 5) Funds from operations
- 6) Comparative statements