

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

Duration: 2 Hrs

Max Marks: 80 Marks

Instructions:-

1. **Q.No. 1** is compulsory.
2. Attempt any **three** questions from **Q.No. 2 to Q.No. 6.**
3. Figures to the right indicate maximum marks.
4. Start each question on a fresh page.

Q1) From the following Trial Balance of Siddarth limited as on 31st March 2016, Prepare a Balance sheet as on that date in prescribed form. **(20 marks)**

Particulars	Amount	Particulars	Amount
Goodwill	50,000	Equity Share Capital	5,00,000
Land and Building	4,00,000	Preference Share Capital	1,00,000
Plant and Machinery	2,00,000	Debentures	3,60,000
Investment at cost	1,50,000	General Reserve	20,000
Sundry Debtors	40,000	Profit and Loss A/c	50,000
Bills Receivable	30,000	Sundry Creditors	60,000
Prepaid Expenses	10,000	Bills Payable	10,000
Preliminary Expenses	50,000		
Cash in Hand	70,000		
Cash at Bank	1,00,000		
	11,00,000		11,00,000

Additional Information:

1. Authorized Capital of 10,000 Equity Shares of Rs. 100 each
2. Depreciation @ 10% on Land & Building and @ 5% on Plant & Machinery.
3. Market Value of Investment is Rs. 1,10,000
4. Accrued wages of Rs. 10,000
5. Provision for Tax Rs. 50,000
6. Transfer to General Reserve Rs. 10,000
7. Dividend was declared @ 5% on Equity shares
8. Interim Dividend paid Rs 5,400

Q2) From the following information of ABC limited for the years ended 31st March 2014 and 31st March 2015, Prepare Comparative Statement as per Revised Schedule VI.

(20 marks)

Balance Sheet as at 31 st March					
Liabilities	2014	2015	Assets	2014	2015
Equity Share Capital	10,00,000	12,00,000	Goodwill	4,00,000	3,90,000
Preference Share Capital	3,00,000	3,00,000	Land and Bldg	2,00,000	3,10,000
General Reserve	25,000	35,000	Plant & Machinery	6,00,000	6,00,000
10% Debentures	4,00,000	4,00,000	Furniture & Fixtures	4,00,000	3,90,000
Short Term Loans	---	10,000	Investment	----	65,000
Sundry Creditors	15,000	20,000	Inventory	10,000	20,000
Bills Payable	5,000	10,000	Sundry Debtors	45,000	70,000
Provision for Tax	10,000	15,000	Bills Receivable	50,000	30,000
			Prepaid Expenses	10,000	15,000
			Cash at Bank	40,000	1,00,000
	17,55,000	19,90,000		17,55,000	19,90,000

Q3) From the following details of Ram and Shyam ltd for the year ending 31st March 2015.

Calculate:

(20 marks)

a) Current Ratio	d) Capital Gearing Ratio	g) Return on Capital Employed
b) Quick Ratio	e) Gross Profit Ratio	h) Earnings per Share
c) Proprietary Ratio	f) Net Profit Ratio	

Particulars	Amount	Particulars	Amount
Equity Share Capital	20,00,000	Goodwill	10,00,000
(2,00,000 equity shares of Rs. 10 each)		Land and Building	14,00,000
		Furniture and Fixture	2,00,000
General Reserve	2,00,000	Plant and Machinery	10,00,000
6% Preference share capital	6,40,000	Closing Stock	12,00,000
Profit and Loss A/c	11,60,000	Sundry Debtors	3,00,000

Bank Overdraft	2,40,000	Bills Receivable	60,000
Sundry Creditors	9,60,000	Cash at Bank	4,40,000
Commission received in Advance	48,000	Underwriting Commission	2,00,000
Bills payable	2,00,000		
Provision of Tax	3,52,000		
	58,00,000		58,00,000

Sales	40,00,000
Cost of Sales	31,20,000
Other Expenses	2,60,000
Tax @ 50%	

Q4) From the following Balance Sheets of Rohan & Co. Ltd for the years ended 31st March 2014 and 31st March 2015 prepare Cash Flow Statement for the year ended 31st March 2015.

(20 marks)

Particulars	Note No.	31/03/2014	31/03/2015
I) Equity and Liabilities			
1. Shareholders Fund:			
a. Share Capital		5,00,000	7,00,000
b. Profit and Loss A/c		2,00,000	3,50,000
2. Non Current Liabilities:			
a. Long term Borrowings (Bank Loan)		1,00,000	50,000
3. Current Liabilities:			
a. Trade payables		50,000	45,000
b. Other Current Liabilities (O/S Rent)		5,000	7,000
c. Short term provisions	1.	80,000	1,20,000
Total		9,35,000	12,72,000
II) Assets			
1. Non Current Asset:			
a. Fixed Asset	2.		

i) Tangible Assets		5,00,000	5,00,000
ii) Intangible Asset (Patents)		1,00,000	95,000
b. Non Current investments		-----	1,00,000
2. Current Assets:			
a. Inventories		50,000	1,30,000
b. Trade Receivables		80,000	1,20,000
c. Cash and Cash Equivalents	3.	2,05,000	3,27,000
Total		9,35,000	12,72,000

Notes to Account:

Particulars	31/03/2014	31/03/2015
1. Short Term Provision		
Proposed Dividend	50,000	70,000
Provision for Tax	30,000	50,000
2. Fixed Assets (a. Tangible Assets)		
Equipments	2,00,000	2,30,000
Furniture	3,00,000	2,70,000
3. Cash and Cash Equivalents		
a. Cash in Hand	5,000	27,000
b. Cash at Bank	2,00,000	3,00,000
	2,05,000	3,27,000

Additional Information:

1. During the year Equipment costing Rs. 80,000 was purchased.
2. Loss on sale of Equipment amounted to Rs. 5,000.
3. Depreciation of Rs. 15000 and Rs. 30,000 charged on Equipments and Furniture respectively.

Q5) Following are the Balance Sheets of K limited as on 31st March 2014 and 31st March 2015
prepare Fund Flow Statement and Statement showing changes in working capital.

(20 marks)

Liabilities		
	31/03/2011	31/03/2012
Share Capital		
General Reserve	12,00,000	15,00,000
Debenture Redemption Reserve	2,00,000	2,50,000
Profit and Loss A/c	3,00,000	3,00,000
14% Debentures	1,00,000	1,48,000
Creditors	6,00,000	4,00,000
Provision for Tax	4,90,000	5,60,000
Proposed Dividend	1,00,000	1,30,000
Provision for Corporate Dividend Tax	1,08,000	1,65,000
	10,800	16,500
Total	31,08,800	34,70,800
Assets		
	31/03/2011	31/03/2012
Buildings		
Machinery	10,00,000	9,60,000
Short Term Investments	5,00,000	7,20,000
Inventories	3,00,000	4,50,000
Debtors	4,00,000	4,70,000
Cash at Bank	6,70,000	5,30,000
Prepaid Expenses	2,18,800	3,30,000
	20,000	10,000
Total	31,08,800	34,70,800

Additional Information:

1. Debentures were redeemed at a premium of 10%
2. A machine which appeared at a written down value of Rs. 80,000 was sold for Rs. 1,30,000 and a new machine worth Rs. 3,60,000 were acquired during the year.

Q6) Write Short Notes. **(Any Four)**

(4 x 5=20marks)

- a. Trend Analysis
- b. Distinguish between Cash Flow Statement and Fund Flow Statement
- c. Common Size Statement
- d. Notes to Account
- e. Ratio Analysis
- f. Working Capital