

Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND
ECONOMICS, PONDA-GOA
B.COM. (SEMESTER-IV) EXAMINATION, APRIL 2018
FINANCIAL ACCOUNTING (PAPER-IV)

Duration: 2 Hours

Marks: 80

- Instructions:**
1. Question No. 1 is compulsory.
 2. Answer any 3 questions from Q.No.2 to Q. No. 6.
 3. Figures to the right indicate maximum marks.
 4. Working notes should form part of your answer.

Q.1) Given below are the balances of Mafello Private Ltd. as on 31st March. (20)

Liabilities	As on 31-3-16	As on 31-3-17	Assets	As on 31-3-16	As on 31-3-17
Share capital	1,40,000	1,50,000	Plant & machinery	1,00,000	1,90,000
Secured loan	---nil---	60,000	Stock	30,000	65,000
P& L A/c	15,000	21,000	Debtors	10,000	30,000
Creditors	27,000	57,000	Cash	40,000	8,000
Provision for tax	3,000	8,000	Preliminary exp.	5,000	3,000
	1,85,000	2,96,000		1,85,000	2,96,000

Additional information:

1. A machinery having W.D.V. ₹ 40,000 is sold at a loss of ₹ 5,000.
2. Depreciation of ₹ 6,000 was charged on Plant & Machinery.
3. Income tax paid for the year ₹ 3,500.
4. Interim Dividend of ₹ 1,500 was paid during the current year.

Prepare : 1. A Fund Flow Statement for the year ending 31-03-2017
 2. A statement showing changes in the working capital.

Q.2) (20)

The following is the Trial balance of Yuvraj Industries Ltd. for the year ended 31st March 2018. The authorized share capital of the company is ₹ 5,00,000 divided into 5,000 equity shares of ₹ 100 each.

Particulars	Amount	Particulars	Amount
Furniture	8,000	Share capital	1,00,000
Plant & Machinery	1,50,000	General reserve	28,000
Land & Building	40,000	7% Debentures	1,00,000
Stock as on 1-4-17	44,000	Sundry Creditors	30,000
Salaries	11,000	Bank Overdraft	25,000
Printing & stationery	2,000	Profit & Loss Apprn. A/c	55,000
Purchases	2,00,000	Bills Payable	10,000
Carriage Inward	40,000	Sales	3,32,000
Wages	56,000		
Trade investments	6,000		
Cash in hand	6,000		
Debenture Interest	3,500		
Directors fees	4,500		
Rent rates and Insurance	3,000		
Bad debts	4,000		

Audit fees	3,000		
General expenses	7,000		
Debtors	72,000		
Bills receivable	20,000		
	6,80,000		6,80,000

Additional Information:

1. Net profit after tax for the year was calculated at ₹ 46,600.
2. Stock on 31st March 2018 ₹ 1,40,000.
3. Outstanding salaries ₹ 1,000 and Prepaid insurance ₹ 500.
4. Interest on debentures outstanding for six months.
5. Depreciate Plant & machinery by 8% and Building 20% p.a.
6. Provision for taxation for the year was ₹ 23,400, transfer to general reserve ₹ 5,000 and directors recommended a dividend at 8% on share capital.

Prepare BALANCE SHEET of the company as on 31st March 2018 as per the revised schedule VI of the companies Act.

Q.3)

(20)

From the given information as on 31.03.2018 you are required to calculate :
1) Current Ratio 2) Liquid Ratio 3) Proprietary Ratio 4) Capital Gearing Ratio
5) Stock to Working Capital Ratio and 6) Debt Equity Ratio.

Equity share capital	₹ 2,00,000	Goodwill	₹ 1,00,000
12% Prefere share capital	₹ 1,00,000	Land	₹ 1,00,000
9% Debentures	₹ 3,50,000	Other fixed assets	₹ 3,40,000
Sundry creditors	₹ 2,20,000	Closing Stock	₹ 1,50,000
Bank overdraft	₹ 1,90,000	Debtors	₹ 3,80,000
General reserve	₹ 1,00,000	Cash and bank balances	₹ 60,000
Profit & loss Account	₹ 80,000	Prepaid expenses	₹ 55,000
Bills payable	₹ 50,000	Long term investments	₹ 1,00,000
		Bills receivable	₹ 5,000

Q.4)

(20)

From the following balances of Yash Production Ltd; Prepare a Cash Flow Statement (Indirect Method) for the year ended 31st March 2017.

Equities and liabilities	As on 31-3-16	As on 31-3-17	Assets	As on 31-3-16	As on 31-3-17
Equity share Capital	1,50,000	2,00,000	Goodwill	57,500	45,000
8% pref. share capital	75,000	50,000	Land & Bldg	1,00,000	85,000
General Reserve	20,000	35,000	Plant	40,000	1,00,000
P & L A/c	15,000	24,000	Stock	38,500	54,500
S. Creditors	27,500	41,500	Debtors	80,000	1,00,000
Bills payable	10,000	8,000	Bills		
Provision for taxation	20,000	25,000	Receivables	10,000	15,000
Proposed Divid.	21,000	25,000	Cash at Bank	5,000	4,000
	<u>3,38,500</u>	<u>4,08,500</u>	Cash in Hand	7,500	5,000
				<u>3,38,500</u>	<u>4,08,500</u>

Additional Information:

1. Depreciation of ₹ 5,000 and ₹ 10,000 to be charged on plant and land and building respectively.
2. ₹ 17,500 income tax was paid during the year 2017.

Q.5)

(20)

Prepare Common Size Profit & Loss Statement (with Notes) as per the revised schedule of the company's Act 2013 of Ajay Ltd for the year ended 31st March 2018 from the below mentioned figures.

Particulars	Amount	Particulars	Amount
Opening stock	3,00,000	Sales	12,20,000
Purchases	9,00,000	Share capital	5,00,000
Wages	40,000	Rent received	75,000
Debtors	2,00,000	Interest received	
Carriage inward	10,000	on investment	45,000
Sales returns	20,000	11% Debentures	2,00,000
Advertisement	30,000	Purchase returns	10,000
Audit fees	15,000	Creditors	42,000
Salaries	50,000	Bills payable	8,000
Staff welfare expenses	12,000	P & L A/c	1,20,000
Debenture interest	11,000		
Plant and machinery	3,30,000		
Furniture	40,000		
Provision for taxation	20,000		
Goodwill	30,000		

Additional information:

1. Depreciation to be provided @ 3 % p.a. on Plant and Machinery
2. Provide for outstanding interest on debentures.
3. Closing stock was valued at ₹ 3,50,000.

Q.6)

(20)

Given below are the balances of some accounts of Manasi Ltd. as on 31st March 2018. The company desires you to calculate the below stated ratios for financial analysis (detailed workings should form part of the answer);

1. Gross Profit Ratio
2. Operating Ratio
3. Stock Turnover Ratio
4. Return on Capital Employed
5. Return on Proprietors' Fund
6. Earnings per Share

Particulars	₹	Particulars	₹
Sales	3,00,000	Fixed Assets	2,00,000
Purchases	1,90,000	Current	
Opening stock	45,000	Assets(including	
Wages	37,500	Closing stock 60,000)	1,62,500
Office expenses	14,000		
Advertising expenses	5,000		
Debenture interest	4,000		
Provision on Income Tax	2,500		

Additional Information:

1. Equity share capital consist of 2500 equity shares of ₹ 100 each.
2. Reserves and surplus ₹ 65,000.
3. 8% Debentures ₹ 50,000.
4. Current Liabilities ₹ 1,75,000.

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