

Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF
COMMERCE AND ECONOMICS, PONDA- GOA
B.COM. CBCS(SEMESTER-II) SEMESTER END EXAMINATION,
APRIL 2023
FINANCIAL STATEMENT ANALYSIS AND INTERPRETATION (CC 6)

Duration : 2 Hours

Marks : 80

- Instructions : 1. Q.1 is compulsory
 2. Answer ANY THREE questions from Q.2 to Q.6
 3. Figures to the right indicate full marks.

Q.1) (20)

The following are the balances extracted from the books of Sanjeevani Ltd. for the year ended 31st March 2022.

Particulars	Amount	Particulars	Amount
Equity shares of ₹ 100 each	2,00,000	Land	50,000
Capital Reserve	40,000	Building	80,000
Profit & Loss Appropriation A/c	60,000	Goodwill	40,000
5% Debentures	1,50,000	Investment (4 years)	2,00,000
Secured Bank Loan	80,000	Debtors	25,000
Creditors	20,000	Stock	1,60,000
Deferred tax liability	10,000	Cash at hand	10,000
Bank Overdraft	15,000	Advances to Directors (6 months)	40,000
Outstanding Salaries	5,000	Prepaid Insurance	5,000
Proposed dividend	18,000		
Provision for taxation	12,000		
	6,10,000		6,10,000

Prepare **Common size Balance sheet** from the above information.

Q.2) (20)

From the given information prepare a Cash flow statement for the year ended 31st March 2022.

Particulars	2021	2022	Particulars	2021	2022
Equity share capital	2,00,000	2,25,000	Goodwill	25,000	20,000
Preference share capital	1,50,000	1,30,000	Land & Building	2,00,000	2,25,000
Bank Loan	80,000	40,000	Furniture	50,000	60,000
General reserve	50,000	60,000	Stock	1,30,000	1,25,000
Profit and loss A/c	20,000	40,000	Debtors	55,000	65,000
Creditors	15,000	18,000	Cash in hand	20,000	31,000
Bills payable	10,000	8,000	Cash at bank	72,000	29,000
Proposed dividend	12,000	16,000			
Provision for taxation	15,000	18,000			
	5,52,000	5,55,000		5,52,000	5,55,000

Additional information:

1. The directors Paid a tax of ₹ 14,000 for the year.
2. Depreciation on Land & Building ₹ 15,000; furniture ₹ 5,000
3. An additional piece of furniture was purchased during the year ₹ 15,000

Q.3)

(20)

Given below are the particulars of Advait Ltd for the years ended 31st March 2021 and 2022. You are required to Prepare a **Comparative Income statement from the same**.

Particulars	2021	2022	Particulars	2021	2022
To Opening stock	13,400	11,200	By Sales	1,10,000	88,000
To Purchases	73,600	71,400	By Dividend on shares	736	720
To Wages	8,000	7,000	By Discount received	345	370
To Factory expenses	3,000	2,400	By Rent received	1,050	1,150
To Carriage inward	3,750	3,750	By Closing stock	20,500	17,600
To Debenture interest	1,500	1,200			
To Depreciation on furniture	1,000	1,100			
To Salesman's commission	2,250	2,350			
To Provision for tax	650	710			
To Net profit	25,481	6,730			
	1,32,631	1,07,840		1,32,631	1,07,840

Q.4)

(20)

Given below is the Trial balance of Sudhendu Ltd. For the year ended 31-12-2022. You are required to prepare Balance sheet as per the schedule III of the Company's Act 2013.

Particulars	Debit (₹)	Particulars	Credit (₹)
Opening stock	54,000	Sales	1,45,000
Purchases	1,25,000	<u>Called up and Paid up share capital: 800 shares of ₹ 100</u>	
Wages	30,000	each	80,000
Land & Building	49,000	Profit & Loss Appropriation A/c	18,000
Plant & Machinery	40,000	Capital Reserve	6,000
Investments (3 years)	12,500	Capital Redemption Reserve	10,000
Preliminary expenses	11,000	Return outward	5,000
Calls in arrears	1,500	Discount received	18,000
Debtors	26,000	9% Debentures	50,000
Cash at bank	13,200	Creditors	10,000
Rent paid	1,500	Bank overdraft	25,000
Repairs	3,000	Outstanding expenses	1,700
Debenture interest	2,000		
	3,68,700		3,68,700

Additional information

1. Provide for O/s wages ₹ 4,000, and Prepaid Rent ₹ 1,000
2. Directors Proposed a dividend of 5% on Paid up Equity share capital
3. Interest on Debentures is due.
4. Closing stock ₹ 60,000
5. Write off Preliminary expense ₹ 1000
6. Profit for the current year is ₹ 6000

Q.5)

(20)

Calculate the following ratios from the given information from the books of XYZ Ltd. and give your interpretation of the same:

1. Current Ratio 2. Proprietary Ratio 3. Gross Profit Ratio
2. Stock turnover ratio 5. Return on Proprietors fund

Investments (6 months)	60,000	Equity share capital	3,00,000
Closing stock	1,60,000	General reserve	96,000
Opening stock	70,000	Profit and loss A/c	1,00,000
Cash at bank	8,000	Debentures	55,750
Debtors	1,78,500	Fixed assets	2,70,650
Bills payable	6,000	Purchases	14,00,000
Outstanding expenses	3,000	Wages	1,00,000
Bank Overdraft	38,000	Sales	16,60,000
Creditors	17,000	Operating expenses	86,000

Q.6)

(20)

Q.6A)

(10)

The following information is available of a Recreational Ltd. You are required to calculate Economic Value Added

Particular	Amount
Net Operating Profit After Taxes	18,60,000
10 % Debentures	50,00,000
Equity Share Capital	75,00,000
Reserves & Surplus	28,00,000
Cost of equity	7.50%
Income tax rate	30%

Q.6B)

(10)

Write short notes on the meaning and significance of

- a. Debt Equity ratio
- b. Capital Gearing Ratio.