LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

**B.Sc.** DEGREE EXAMINATION – **STATISTICS**

SECOND SEMESTER – **APRIL 2012**

# CO 2104 - FINAN.A/C & FINANCIAL STATEMENT ANALYSIS

 Date : 23-04-2012 Dept. No. Max. : 100 Marks

 Time : 9:00 - 12:00

**Section A**

**Answer all the questions: (10 X 2 = 20 marks)**

1. Name any four parties who are interested in accounting information?
2. What is meant by contra entries? Give example.
3. How is Legacy treated in the accounting books of a Non trading organization?
4. Name any four accounting concepts.
5. a. Plant and machinery is …………asset (fixed/current)

b. Motor vehicles account is a …………. (Personal/ Real/ Nominal) account

1. Ascertain the gross profit ratio:

Cost of goods sold . 70,800 ; Sales . 1,30,200

1. From the following information compute the tax paid during the year:

Provision for tax(1-4-2011) . 30,000

Provision for tax(31-3-2012) .45,000

Tax provided during the year . 30,000

1. Calculate the amount of salaries to be shown in Receipts and Payments Account:

 .

 Salaries as per Income and Expenditure Account 1,500

 Paid in advance in previous year 700

 Outstanding at the end of current year 300

 Outstanding at the end of previous year 800

1. Calculate the profit or loss on sale of machinery:

Original cost . 1,00,000; Accumulated depreciation . 25,000;

Sale value . 50,000

1. Choose the correct alternative

a. Receipts and Payments Account is a summary of

i)Income and expenses account ii) Cash receipts and Payments

 iii) Debit and Credit balances of ledger accounts

1. Goods worth . 1,000 taken by the proprietor for personal use should be credited to

i)Purchases account ii) Sales account iii) Drawings account

**Section B**

**Answer any five questions (5 X 8 = 40 marks)**

1. Define Accounting. What are the objectives of Accounting?
2. What is a Bank Reconciliation Statement? What are the causes of difference between a Pass book and Cash book?
3. Differentiate between Receipts and Payments Account and Income and Expenditure Account.
4. Enter the following transactions in a Petty cash book:

2012 .

Jan 1 Received from main cashier as imprest cash balance 1,000

 7 Bought postage stamps 200

 15 Paid for cartage 25

 20 Paid taxi hire 75

 23 Purchased stationery 35

 25 Paid to travel agent for snacks 15

 30 Courier services 25

 31 Office cleaning 20

1. Journalise the following transactions:

2012

April 1 Mr. Xavier brought cash . 1,50,000 to start a business

April 2 He deposited . 1,25,000 in a newly opened bank account

April 4 He purchased goods for cash . 8,000

April 7 He purchased goods for . 10,000 payment was made through bank

April 8 Mr. Xavier withdrew . 2,000 from the bank for office use

April 10 He withdrew . 1,000 from the bank for celebrating his son’s birthday

April 14 He paid salary in cash .250

April 18 He gave cheque to Mr. Anand, the landlord for rent . 3,000

1. Enter the following transactions into proper subsidiary books:

2012

Jan 1 Purchased goods from Paul of the list price of . 50,000 less 10% trade discount

 6 Sold goods to Rahul for . 10,000

 8 Ramesh sent goods for . 40,000

 12 Purchased a delivery van from Mahendra . 2,00,000

 18 Sold goods to James for . 12,000

 20 Returned goods to Paul, of the list price of . 5,000

 22 Sent goods to Amir for . 6,000

 24 Sold old newspaper for . 200

 27 Sold goods to Rohit for . 8,000

1. From the following particulars, prepare Income and Expenditure Account:

 .

Fees collected, including . 80,000 on account of the previous year 3,80,000

Fees for the year outstanding 10,000

Salary paid, including . 3,000 on account of the previous year 28,000

Salary outstanding at the end of the year 1,000

Entertainment expenses 3,000

Tournament expenses 12,000

Meeting expenses 18,000

Travelling expenses 6,000

Purchase of books and periodicals,

 including . 19,000 for purchase of books 29,000

Rent 10,000

Postage 4,000

Printing and stationery 15,000

Donations received 20,000

1. From the following particulars, determine the maximum remuneration available to a

part time director and manager of a manufacturing company.

The Profit & loss Account of the company showed a net profit of .20,00,000 after taking into account the following items:

 .

1. Depreciation (including special depreciation of . 20,000) 50,000
2. Donation to political parties 25,000
3. Provision for income tax 1,00.000
4. Ex-gratia payment to a worker 5,000
5. Capital profit on sale of assets 7,500
6. Preliminary expenses 5,000
7. Profit on sale of investment 4,20,000
8. Multiple shift allowance 2,10,000

 **Section C**

**Answer any two questions: (2 X 20 = 40 marks)**

1. The following balances were taken from the trial balance of Mr. Mohammed

as on 31-3-2012

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars |  | Particulars | * .
 |
| Furniture(on cost)Delivery vanBuilding(on cost)Bad debtsDebtorsStock (1-4-2011)PurchasesSales returnAdvertisementInterestCashTaxGeneral expensesSalary | 64,0006,25,0007,50,00012,5003,80,0003,46,0005,47,50020,00045,0001,11,80065,00025,00078,2003,30,000 | CapitalCreditorsProvision for Bad debtsOverdraftSalesPurchase returnCommission | 12,50,0002,50,00020,0002,85,00015,45,00012,50037,500 |
| 34,00,000 | 34,00,000 |

Additional information:

1. Depreciate Building 5%, Furniture 10%

ii. Commission received . 12,500 is related to next year

iii. Create provision on debtors for bad debts @ 6%

iv. Stock (31-3-2012) . 3,25,000

Prepare Trading & Profit & loss account and Balance sheet as on 31- 3- 2012

1. From the following balance sheets, prepare cash flow statement:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  Liabilities | 2010 | 2011 | Assets | 2010 | 2011 |
| Share capitalGeneral reserveProfit & loss A/cBank loanCreditorsProvision for tax | 2,00,000 50,000 30,500 70,0001,50,00040,000 | 2,50,000 60,000 30,600 -1,35,200 35,000  | BuildingMachineryStockDebtorsCashGoodwill | 2,00,0001,50,0001,00,00080,00050010,000 | 1,90,0001,69,00074,00064,2008,6005,000 |
| 5,40,500 | 5,10,800 | 5,40,500 | 5,10,800 |

 During the year:

1. Dividend of . 23,000 was paid

(ii) Machinery was purchased for . 8,000

(iii) There is no sale of building or machinery

(iii) Income tax paid during the year . 33,000

1. a Stock turnover ratio 3 times ; Cost of goods sold . 2,40,000

 Stock in the beginning is . 20,000 more than the stock in the end. Calculate stock in the beginning and at the end (4 marks)

1. From the following particulars, prepare a statement showing the proprietor’s fund as on 31st December 2011 with as many details as possible (16 marks)

Current ratio 2.5 Fixed assets to Proprietors funds 0 .75/2

Acid test ratio 1.5 Reserves and surplus . 60,000

Working capital .90,000 Bank overdraft . 15,000

Long term debt nils

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