



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.Sc. DEGREE EXAMINATION – STATISTICS & COMPUTER APP.

SECOND SEMESTER – APRIL 2017

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

Date: 25-04-2017
Time: 01:00-04:00

Dept. No.

Max. : 100 Marks

SECTION A

Answer the following:

10 x 2 = 20

1. What is a Ledger?
2. Why is a Balance Sheet prepared?
3. What is rectification of errors?
4. Explain the term sundry debtors.
5. Explain the golden rules of accounting.
6. What is suspense account?
7. Fill in the blanks:
 - A) Ledger is the -----book of account.
 - B) Plant and machinery is an example of ----- account.
8. Fill in the missing figures:

Assets	=	Liabilities	+	Capital
a) 20,000	=	15,000	+	?
b) 10,000	=	?	+	8,000
9. A company purchased Machinery for Rs.2,00,000. Its estimated life is 10 years and the Scrap value is Rs.10,000. Calculate the amount and rate of depreciation.

10. Prepare a Single Column Cash Book

2010 April 1 Commenced Business		Rs.25,000
3 Cash Purchases	Rs.12,000	
5 Sold goods for cash	Rs. 6,700	
7 Paid Babu		Rs. 4,000

SECTION B

Answer any FOUR questions:

4 x 10 = 40

11. Explain the following terms:
 - a) Personal account
 - b) Posting
 - c) Purchases
 - d) Contra entry
 - e) Ledger Folio.
12. Explain the differences between Trial Balance and Balance Sheet.

13. What are the reasons for causes of disagreement between the cash book balance and the pass book balance?

14. Journalise the following transactions of Mr. Moorthi:

2004 June 3	Received cash from Ramkumar	Rs.60,000
4	Purchased goods for cash	Rs.15,000
11	Sold goods to Damo	Rs.22,000
13	Paid to Ram	Rs.40,000
17.	Received from Damo	Rs.20,000
20	Bought furniture from Jagan	Rs. 5,000
27.	Paid Rent	Rs. 1,200
30	Paid Salary	Rs. 2,500.

15. Sunil & Co. purchased a fixed asset on 1.1.2009 for Rs,5,00,000. Depreciation is to be provided at the rate of 10% annually according to the Straight Line Method. The books are closed on 31 December every year. Prepare Machinery account for three years.

16. From the transactions given below prepare Sales Book of Ram for July 2003.

July 5. Sold on credit to S.S. Traders

10 Chairs @ Rs.250 and 10 Tables @ Rs.850 --- Less Trade Discount 10%

8 Sold to Raja for Cash.

15 chairs @ Rs.250

20 Sold to Mohan & Co.

5 Almira @ Rs.2,200 and 10 Tables @ Rs.850.

23 Sold on credit to Narayanan old computer for Rs.5,000.

28 Sold to Kumaran for cash

15 chairs @Rs.250.

30. Sold to Kannan

20. chairs @Rs.500 and 15 Tables @Rs.1,000... Less trade discount 10%.

17. Prepare a bank Reconciliation Statement as on 31.12.2003

a) Balance as per cash book Rs.12,500.

b) Cheques issued but not presented for payment Rs.900.

c) Cheques deposited in bank but not collected Rs.1, 200.

d) Bank paid insurance premium Rs.500.

e) Direct deposit by a customer Rs.800.

f) Interest on investment collected by bank Rs.200.

g) Bank charges Rs.100.

18. The following errors were found in the books of Prabhu. Give the necessary entries to rectify it.

a) Salary of Rs.10, 000 paid to Murali has been debited to his personal account.

b) Repairs made were debited to building account for Rs.500.

c) Rs.2,000 received from Shanthi & Co. has been wrongly entered as from Shakila & Co.

d) An amount of Rs.5,000 withdrawn by the proprietor for his personal use has been debited to trade expenses account.

SECTION C

2 x 20 = 40

Answer any TWO questions:

19. The following is the Trading & Profit & Loss A/c of a firm for the year ended 31.3.04.

Particulars	Rs.	Particulars	Rs.
To Opening Stock	35,000	By Sales	4,00,000
To Purchases	2,25,000	By Closing Stock	50,000
To Wages	10,000		
To Gross Profit	1,80,000		
	4,50,000		4,50,000
To Administrative expenses	10,000	By Gross Profit	1,80,000
To Interest	5,000	By Dividend	2,000
To Loss on sale of machinery	2,000		
To Selling Expenses	10,000		
To Net profit	1,55,000		
	1,82,000		1,82,000

Calculate:

- a) Gross profit ratio,
- b) Net profit ratio,
- c) Operating ratio,
- d) Operating profit ratio, and
- e) Expenses Ratio.

20. Enter the following transactions in the Three Column Cash Book of Mr. Joseph.

Date	Particulars	Rs.
1995 Feb. 1	Cash in Hand	12,500
	Cash at Bank	16,000
3	Paid into Bank	1,200
5	Purchased Furniture by Cheque	4,000
9	Cash Purchases	1,000
13	Received from Manoj Discount Allowed	1,180 20
15	Cash Sales	8,200
16	Cash withdrawn from bank	4,850
24	Received cheque from Banu and deposited into bank Allowed him discount	1,815 35
25	Somu our customer has paid directly into our Bank account	3,210
27	Paid Rent by cheque	650
28	Received Interest	1,000
30	Paid Insurance	500

21. From the following Trial Balance of Rahim, prepare Trading and Profit and Loss A/c and Balance Sheet as 31st March 2010.

Debit balances	Rs.	Credit balances	Rs.
Purchases	2,00,000	Capital	3,00,000
Salaries	10,000	Sales	2,50,000
Rent	7,500	Sundry Creditors	1,05,000
Insurance Premium	1,500		
Drawings	50,000		
Machinery	1,40,000		
Cash at Bank	22,500		
Computers	1,25,000		
Furniture	50,000		
Cash	10,000		
Opening Stock	26,000		
Sundry Debtors	12,500		
	6,55,000		6,55,000

Adjustments:

1. Closing Stock Rs.39, 000.
 2. Rent outstanding Rs.1, 000.
 3. Provide interest on capital @10% and on drawings @8%
22. What is Cash Flow Statement? Explain its Advantages and its Disadvantages.

\$\$\$\$\$\$\$\$\$\$