

LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.Com. B.A. DEGREE EXAMINATION – MATHEMATICS & ECONOMICS

FOURTH SEMESTER – APRIL 2010

CO 4205 / 4201 - FIN. ACCOUNTS & FIN. STAT. ANALYSIS

Date & Time: 19/04/2010 / 1:00 - 4:00 Dept. No.

Max. : 100 Marks

SECTION-A

Answer all the questions

(10x2=20)

1. Define Accounting.
2. What is a Voucher?
3. List out the rules for Journalising.
4. Classify the following into Personal, Real and Nominal Account
a) Capital (b) Sales (c) Rent (d) Bank.
5. Write a short note on Credit Note.
6. On 31st December 2003, the Total Assets and Liabilities were Rs.1,00,000 and Rs.30,000 respectively. Calculate Capital
7. Opening Stock Rs.29,000. Closing Stock Rs.31,000. Purchases Rs.2,42,000. Calculate Stock Turnover Ratio.
8. The incoming aspect of a transaction is called _____ and the outgoing aspect of a transaction is called _____.
9. Additional capital of Rs.50,000 introduced by Mr. Sankar into his business is considered as _____ a) capital receipt b) revenue receipt c) both.
10. Find out Earning per Share (EPS) from the following:
Net profit after Tax Rs.200,000
10% Preference share capital Rs.400,000
10,000 Equity Share.

SECTION-B

Answer any FIVE questions

(5x8=40)

11. Briefly explain the various accounting concepts.
12. Explain the advantages of book-keeping.
13. Journalise the following transactions in the books of Tmt. Amutha
2004, Jan 1 Tmt.Amutha commenced business with cash Rs.50,000
2 Purchased goods for cash Rs.10,000
5 Purchased goods from Mohan on credit Rs.6,000
7 Paid into Bank Rs.5,000
10 Purchased furniture Rs.2,000
20 Sold goods to Suresh on Credit Rs.5,000
25 Cash Sales Rs.3,500
26 Paid to Mohan on account Rs.3,000
31 Paid salaries Rs.2,000
14. From the following transactions in the books of Amar, post them in the ledger:
2004 March 1 Bought goods for cash Rs.25,000
2 Sold goods for cash Rs.50,000
3 Bought goods for credit from Gopi Rs.19,000
4 Sold goods on credit to Robert Rs.8,000
5 Received from Robert Rs.6,000
6 Paid to Gopi Rs.5,000
7 Bought furniture for cash Rs.7,000
15. Enter the following transaction in the double column cash book of Mr. Srinivasan.
2002 May 1 Cash in hand Rs.50,000
3 Cash paid to Rajan Rs.6,000
Discount allowed by him Rs.100.

- 6 Cash purchases Rs.10,000.
- 10 Received cash from Arun Rs.2,900 and allowed him discount Rs.100
- 13 Cash sales Rs.15,000
- 15 Electricity Charges paid Rs.1,000
- 18 paid for miscellaneous expenses Rs.2,000
- 20 Received cash from Murali Rs.3,450, Discount allowed Rs.50

16. Prepare a bank reconciliation statement of Mr. Goutham from the following data as on 31.12.2009.

- Balance as per cash book Rs.12,500
- Cheques issued but not presented for payment Rs.900
- Cheques deposited in bank but not collected Rs.1,200
- Bank paid insurance premium Rs.500
- Direct deposit by a customer Rs.800
- Interest on investment collected by bank Rs.200
- Bank charges Rs.100

17. Prepare Trial Balance as on 31.12.2000 from the following balances of Mr. Balan

	Rs.		Rs.
Capital	3,40,000	Purchases	94,000
Creditors	13,000	Sales Returns	3,400
Drawings	4,000	Purchases Returns	2,400
Salaries	38,200	Carriage Inwards	1,400
Bill Receivable	5,800	Printing & Stationery	5000
Debtors	16000	Stock	29900
Sales	144000	Machinery	50000
Insurance	2200	Wages	5000
Land	250000	Rent	1600
Commission received	800	Interest received	1700
Bills payable	7000	Electricity charges	2400

18. Distinguish between Income & Expenditure A/c and Receipts & Payments A/c.

SECTION-C

Answer any TWO questions

(2x20=40)

19. From the following Trial Balance of Thiru.Rehman as on 31st March 1995, prepare Trading and Profit & Loss A/c and Balance sheet taking into account the adjustments:

Debit balances	Rs.	Credit Balances	Rs.
Land and Buildings	42,000	Capital	62,000
Machinery	20,000	Sales	98,780
Patents	7,500	Return outwards	500
Stock 1-4-1994	5,760	Sundry creditors	6,300
Sundry debtors	14,500	Bills payable	9,000
Purchases	40,675		
Cash in hand	540		
Cash at bank	2,630		
Return inwards	680		
Wages	8,480		
Fuel & power	4,730		
Carriage on sales	3,200		
Carriage on purchases	2,040		
Salaries	15,000		
General expenses	3,000		
Insurance	600		
Drawings	5,245		
	1,76,580		1,76,580

Adjustments:

- (i) Stock on 31-3-1995 was Rs.6,800.
 - (ii) Salary outstanding Rs.1,500.
 - (iii) Insurance prepaid Rs.150.
 - (iv) Depreciate machinery @ 10% and patents @ 20%.
 - (v) Create a provision of 2% on debtors for bad debts.
20. From the following information make out a statement of proprietors funds with as many details as possible:
- (a) Current ratio 2.5
 - (b) Liquidity ratio 1.5
 - (c) Proprietary Ratio (fixed assets/proprietary fund) 0.75
 - (d) Working capital Rs.60,000
 - (e) Reserves and surplus Rs.40,000
 - (f) Bank overdraft Rs.10,000
 - (g) There is no long-term loan or fictitious asset.

21. The summarized balance sheet of Kandan Ltd., as on 31-12-91 and 31-12-92 are as follows:

Liabilities	1991 Rs.	1992 Rs.	Assets	1991 Rs.	1992 Rs.
Share capital	4,50,000	4,50,000	Fixed assets	4,00,000	3,20,000
General reserve	3,00,000	3,10,000	Investments	50,000	60,000
P & L A/c	56,000	68,000	Stock	2,40,000	2,10,000
Creditors	1,68,000	1,34,000	Debtors	2,10,000	4,55,000
Tax provision	75,000	10,000	Bank	1,49,000	1,97,000
Mortgage loan	---	2,70,000			
	<u>10,49,000</u>	<u>12,42,000</u>		<u>10,49,000</u>	<u>12,42,000</u>

Additional details:

- (1) Investments costing Rs.8,000 were sold for Rs.8,500.
- (2) Tax provision made during the year was Rs.9,000.
- (3) During the year part of the fixed assets costing Rs.10,000 was sold for Rs.12,000 and the profit was included in P & L Account. You are required to prepare cash flow statement for 1992.
