LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.Com. DEGREE EXAMINATION – **COMMERCE**

FOURTH SEMESTER – **APRIL 2024**

UCO 4602 – FINANCIAL REPORTING AND ANALYSIS

Date:15-04-2024 Dept. No. Max. : 100 Marks

Time: 09:00 AM - 12:00 NOON

	SECTION A - K1 (CO1)
	Answer ALL the Questions **(10 x 1 = 10)**
1.	**Answer the following**
a)	State the objectives of the financial statement.
b)	Explain the objectives of Ind AS-7
c)	Calculate EPS: Net Profit Before Tax Rs. 1,00,000 Taxation At 50% of Net Profit 10% Preference share capital (Rs. 10 each) Rs. 1,00,000 Equity share capital (Rs. 10 each) Rs. 1,00,000
d)	Define Integrated Reporting.
e)	What is Corporate Social Responsibility?
2.	**Fill in the blanks**
a)	Preparation of Profit & Loss statement is based on ----------
b)	Cash flow statement is prepared as per accounting standard ---------
c)	Ratio of Net profit before interest and tax to sales is -------- ratio
d)	Annual report is issued by the company to it's ---------
e)	The companies have to spend -------- of it's average profits of three years on CSR.
	SECTION A - K2 (CO1)
	Answer ALL the Questions **(10 x 1 = 10)**
3.	**Match the following**
a)	Accounting Standard Boards - Ind AS 108
b)	Operating Segments - Stock turnover
c)	Cost of goods sold - Are not affected by changes in business
d)	GAAP - Adaptation of schools
e)	Corporate Social Responsibilities - 1977
4.	**True or False**
a)	The valuation procedure for stocks is cost or net realization value, whichever is lower. This procedure convention of conservatism.
b)	AS 26 related to Intangible Assets
c)	Ideal current ratio is 2:1
d)	Financial reports should provide adequate disclosures and be released on a timely basis
e)	Human assets are also a part of social balance sheet
	SECTION B - K3 (CO2)
Answer any TWO of the following in 100 words each.	**(2 x 10 = 20)**
5.	List out the users of financial statements and explain how it's useful to them.
6.	Write a short note on: a) Interim reporting b) Statement of cash flows c) Disclosure on a balance sheet

7. A) Calculate the debtors turnover ratio from the following:

Total sales for the year 1987	Rs. 1,00,000
Cash sales for the year 1987	Rs. 20,000
Debtors as on 1-1-1987	Rs. 10,000
Debtors (31-12- 1987)	Rs. 15,000
Bills receivable as on 1-1-1987	Rs. 7,500
Bills receivable as on 31-12-1987	Rs. 12,500

B) Calculate the Creditors Turnover Ratio and Average Payment period.

Creditors on 31.12.2004	Rs. 1,00,000
Creditors on 1.1.2004	Rs. 2,00,000
Credit purchase in 2004	Rs.10,00,000
Bills Payable on 3 1.12.2004	Rs. 40,000
Bills Payable on 1.1.2004	Rs. 60,000

8. Illustrate the framework of Integrated Reporting issued by IIRC

SECTION C – K4 (CO3)

Answer any TWO of the following in 100 words each. **(2 x 10 = 20)**

9. What does Section 135 of the Companies Act convey about CSR?

10. The following are the summarized P&L A/c of Star Ltd., for the year ending 31.12.2021 and the Balance sheet as of that date.

Profit and Loss Account

PARTICULARS	Rs.	PARTICULARS	Rs.
To opening stock	49,750	By sales	4,25,000
To purchases	2,72,625	By closing stock	74,500
To carriage inwards	7,125		
To Gross Profit	1,70,000		
	4,99,500		4,99,500
To Selling and distribution exp	75,000	By Gross Profit	1,70,000
To office expenses	15,000	By Interest	1,500
To salaries	7,500	By profit on sale of assets	3,000
To loss on sale of investment	2,000		
To Net Profit	75,000		
	1,74,500		1,74,500

Balance Sheet

LIABILITIES	Rs.	ASSETS	Rs.
Issued capital 2,000 equity shares of Rs.50 each	1,00,000	Land & Buildings	75,000
Reserves	45,000	Plant & Machinery	40,000
Current liabilities	65,000	Stock-in-trade	74,500
P & L Account	30,000	Sundry debtors	35,500
		Cash at bank	15,000
	2,40,000		2,40,000

From the above you are required to calculate the following:

a) Current ratio b) Operating ratio c) Stock turnover ratio d) Return on networth
e) Acid-test ratio f) Super quick ratio

11.	Elucidate the guiding principles of preparation and presentation of integrated report
12.	Describe social responsibility accounting and procedure for accounting.

SECTION D – K5 (CO4)

Answer any ONE of the following in 250 words **(1 x 20 = 20)**

13.	Critically evaluate the elements of the financial statement in a detailed manner and recognition of those elements to provide a good financial statement
14.	Explain the operating segment, its aggregating criteria, and the quantitative reportable segment.

SECTION E – K6 (CO5)

Answer any ONE of the following in 250 words **(1 x 20 = 20)**

15. From the following information prepare the balance sheet. Give the workings also.

Current ratio	1.75
Liquid ratio	1.15
Fixed assets/proprietary funds	0.75
Working capital	Rs. 75,000
Reserves & surplus	Rs. 1,00,000
Bank overdraft	Rs. 60,000

There is no long-term loan or fictitious asset.

16. Analyse the recognition and measurement of CSR. State some of the importance of CSR activities in today's scenario

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