



LOYOLA COLLEGE (AUTONOMOUS) CHENNAI – 600 034

U.G.. DEGREE EXAMINATION – ALLIED

FOURTH SEMESTER – APRIL 2025

CO 4205 – FIN. ACCOUNTS & FIN. STAT. ANALYSIS



Date: 06-05-2025

Dept. No.

Max. : 100 Marks

Time: 09:00 AM - 12:00 PM

SECTION – A

Answer FOUR of the following questions

(4x 10 = 40 Marks)

1. State and explain any four accounting concepts.
2. What is petty cash book? Explain its advantages.
3. Explain the importance of Ratio Analysis.
4. ABC Limited had a balance of ₹ 80,000 in its Profit & Loss appropriation account on 1st April 2007. During 2007-2008, its profit before tax amounted to ₹ 7,62,500. The income tax provision of the year amounted to ₹347,500. The company decided to transfer ₹ 60,000 to General Reserve, ₹87,500 to sinking fund for redemption of debentures to pay a dividend for the financial year at the rate of 10%. The company's share capital consisted of 3,00,000 shares of ₹10 each. Draw up the Profit & Loss Appropriation Account.
5. The following balances were extracted from the ledger of Ram on 31st March 2023. You are required to prepare a trial balance as on that date in proper form:

Particulars	₹	Particulars	₹
Drawings	6,000	Salaries	9,500
Capital	24,000	Sales returns	1,000
Sundry creditors	43,000	Purchase returns	1,100
Bills payable	4,000	Travelling expenses	4,600
Loan from Karthik	10,000	Commission paid	100
Furniture	4,500	Trading expenses	2,500
Opening stock	47,000	Discount earned	4,000
Cash in hand	900	Rent	2,000
Cash at bank	12,500	Bank overdraft	6,000
Tax	3,500	Purchases	1,26,000
Sales	1,28,000		

6. ZXT Ltd., provides the following accounting data for the year ending 31st March 2023 and ascertain (a) Gross profit ratio (b) Net profit ratio (c) Operating ratio (c) Operating profit ratio

Particulars	₹
Sales	20,00,000
Gross profit	8,00,000
Office expenses	60,000
Selling expenses	40,000
Finance expenses	30,000
Loss on sale of plant	4,000
Interest received on investments	5,000
Net profit	6,71,000

7. Briefly explain the concepts which form the backbone of Accounting.
8. Journalize the following transactions in the books of Mr. Hari for the month of January 2008

	₹
1 Hari started business with capital	2,50,000
5 Purchased goods from Shankar	24,000
7 Purchased goods for cash	4,000
8 Purchased chairs	1,500

10	Proprietors drawings	1,000
11	Paid rent to the landlord, Mr. Ram	1,700
13	Received interest	1,000
15	Sold goods to Suresh	4,000
20	Paid to Shivam ₹23,500 and discount received ₹500	
22	Paid salary to the Manager, Mr. Rahul	₹2,000

SECTION – B

(3 x 20 = 60 Marks)

Answer THREE of the following questions

9. Write short notes on (a) Endorsement of a bill; (b) Discounting of a bill.
10. The following are the Receipts and Payments A/c of Kerala Football Association for the first year ending 31st Dec 2023

Receipts & Payments Account

Receipts	₹	Payments	₹
To Donation	50,000	By Pavilions office	40,000
To Reserve Fund (Life Membership and entrance fees)	4,000	By expenses in connection with matches	900
To Receipts from football Matches	8,000	By furniture	2,100
<i>Revenue Receipts:</i>		By Investments at cost	6,000
To Subscriptions	5,200	<i>Revenue Payments:</i>	
To locker Rents	50	By Salaries	1,800
To interest on securities	240	By Wages	600
To sundries	350	By Insurance	350
		By Telephone	250
		By Electricity	110
		By Sundry expenses	210
		By Balance on hand	15,520
	<u>67,840</u>		<u>67,840</u>

Additional information:

- (i) Subscriptions outstanding for 2023 are ₹ 250
(ii) Salaries unpaid for 2023 are ₹ 170
(iii) Wages unpaid for 2023 are ₹ 90
(iv) Outstanding bill the sundry expenses is ₹ 40
(v) Donations received have to be capitalized.

Prepare from the details given above and Income and Expenditure A/c for the year ended 31-12-2008 and the Balance Sheet of the Association as on that date.

11. Distinguish between journal and ledger.
12. The following are the summarized Balance Sheets of Firm Limited as on 31st Dec 2022 and 2023

Balance Sheets

Liabilities	2022 ₹	2023 ₹	Assets	2022 ₹	2023 ₹
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Share capital	1,00,000	1,50,000	Land & Building		
General Reserve			Plant & Machinery	1,00,000	90,000
P&L A/c	50,000	60,000	Stock	1,00,000	1,19,000
Bank Loan	30,500	30,000	Debtors	50,000	24,000
Sundry creditors	70,000	-	Cash	75,000	63,200
Provision for taxation	50,000	37,200	Bank	500	1,000
	32,000	35,000	Goodwill	2,000	15,000
				5,000	
	3,32,500	3,12,200		3,32,500	3,12,200

Additional information:

During the year ended 31st December 2023

(a) Dividend of ₹ 23,000 was paid

(b) Depreciation written off on building ₹ 10,000, Machinery ₹ 14,000

(c) Income tax paid during the year ₹ 28,000

Prepare a statement of cash flow for the year ended 31 Dec 2023.

13. From the following information, prepare bank reconciliation statements to find out the bank statement balance as on December 31, 2024.

Sl.no.	Particulars	₹
01	Balance as per cash book	15,000
02	Cheque deposited but not yet credited	1,000
03	Cheque issued and entered in the cash book before December 31, 2024, but not presented for payment until that date	1,500
04	Dividend directly received by bank	200
05	Direct payment made by bank for rent	1,100
06	Locker rent charged by the bank not recorded in cash book	1,200
07	Wrong debit given by the bank on December 30, 2024	500
08	Payment made through net banking has been entered twice in the cash book	300

14. Prepare trial balance as on 31.12.2024 from the following balances of Mr. Sam

Particulars	₹	Particulars	₹
Capital	2,00,000	Repairs	2,400
Drawings	18,000	Office lighting	2,600
Furniture	64,500	Printing & Stationery	2,700
Stock at beginning	62,050	Bank loan	17,500
Bills receivable	7,500	Computer	30,000
Bills payable	8,750	Debtors	46,500
Purchases	88,100	Cash in hand	27,250
Sales	1,35,450	Cash in bank	27,250
Discount allowed	7,100	General Expenses	7,100
Discount received	3,500	Creditors	17,600

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