Marks: 60

Instructions:

- 1. All questions are compulsory.
- 2. Use of a simple calculator is allowed.
- 3. Working note should form part of your answer.
- 4. Figure to the right indicate full marks.

Q.1 Profit and Loss Account for the year ended 31.03.2004

[15]

	Amount Rs.	Particulars	Rs.
To Opening stock	76,250	By Sales 6,02,350	Lash in Han
To Purchase	3,15,250	Less: Returns 10,000	5,92,350
To Freight and Carriage	7,000	By closing stock	98,500
To Staff Salaries	20,000	By Interest on bonds	1,500
To Sales Salaries	15,300	By Dividend on Shares	3,750
To Interest on Debentures	1,200	By Profit on	3,900
To Rent	2,700	Sale of shares	Sunday Cre
To Printing and Stationary	2,500	Expenses 5,640	Liability for
To Advertising	4,700	al 4,45,228	Share Capil
To Sales Discount	2,400	- All Color	Personal Property
To Depreciation	9,300	5,91,680	
To Insurance	1,000	and the second control of the second control	CONTRACTOR
To Electricity	350	appropriate comment of	Give your
To Electricity To Salesmen's	350	appropriate comment of	Give your
	350 2,000	appropriate comment or	Give your
To Salesmen's	to take flow	appropriate comment of	Give your b) White a st
To Salesmen's Travelling Expenses	2,000	appropriate comment of the conting the continuation that continue the continue the continuation that continue the	Give your b) White a si as ato X Ltd. prese
To Salesmen's Travelling Expenses To Bad Debts	2,000 3,400	appropriate comment or nort note on "Accounting servent gravents you the following Ball	Give your b) Write a si as ats Xird, prese
To Salesmen's Travelling Expenses To Bad Debts To Telephone Expenses	2,000 3,400 750	appropriate comment of sort note on "Accounting for your the following Baller of stares 25,00	Give your by Write a si cae as a si cae
To Salesmen's Travelling Expenses To Bad Debts To Telephone Expenses To Legal charges	2,000 3,400 750 6,400	appropriate comment or nort note on "Accounting the souther following Ball ey shares 25,00 nee share capital 5,00	Give your by Write a si as at a second X Etal. prese Land Rice 2,000 Equito 8% Preference to the second sec
To Salesmen's Travelling Expenses To Bad Debts To Telephone Expenses To Legal charges To Directors Fees	2,000 3,400 750 6,400 48,000	appropriate comment of nort note on Accounting the party out the following Ball to shares 25,00 are share capital 5,00 and	Crive your by Write a slass at a state of the state of th
To Salesmen's Travelling Expenses To Bad Debts To Telephone Expenses To Legal charges To Directors Fees To Loss on sale Bonds	2,000 3,400 750 6,400 48,000	appropriate comment of nort note on "Accounting has not you the following Ball its your property with the capital its your property with the capital its your property with the control of the c	Give your circle a slass at the present of the pres
To Salesmen's Travelling Expenses To Bad Debts To Telephone Expenses To Legal charges To Directors Fees To Loss on sale Bonds To Provision for claim	2,000 3,400 750 6,400 48,000 3,500	appropriate comment of sort note on "Accounting has you the following Ballers or shares 25,00 and 20,00 and 20,00 and 10,00 and 15,00 and 15,00 and 15,00 and 15,00	Give your course your as at a start of the present
To Salesmen's Travelling Expenses To Bad Debts To Telephone Expenses To Legal charges To Directors Fees To Loss on sale Bonds To Provision for claim for Damages	2,000 3,400 750 6,400 48,000 3,500	appropriate comment of sort note on "Accounting for the following Ballowing	Give your as the as a state of the present of the p

Present the above in vertical form suitable for analysis.

Additional information:

Tax provided during the current year Rs. 2500 calculate the following

Q.1 Calculate Trend Percent from the following information extracted for the financial statements of different types.

r	4	-	1
1	-	-	1
,	-	$\mathbf{\circ}$	

Particulars	2003	2004	2005	2006
•	Rs.	Rs.	Rs.	Rs.
Assets			RADIN ANDRES	dt ot every
Fixed Assets	2,11,696	2,08,694	2,04,580	1,84,122
Investments	20,000	15,000	10,000	9,000
Cash in Hand	41,680	30,472	20,346	18,312
Sundry Debtors	1,85,040	1,31,346	85,750	77,175
Stock	1,31,474	1,34,684	1,45,172	1,30,655
Prepaid Expenses	1,690	3,236	2,440	2,196
	5,91,580	5,23,432	4,68,288	4,21,460
Liabilities	and the first of the second	306,61	231101S	8 83182 01
Sundry Creditors	1,40,712	1,32,684	1,17,410	1,05,669
Liability for Expenses	5,640	4,094	2,490	2,240
Share Capital	4,45,228	3,86,654	3,48,388	3,13,551
	5,91,580	5,23,432	4,68,288	4,21,460

Give your appropriate comment on each statement.

[10]

b) Write a short note on "Accounting concept".

[5]

Q.2 X Ltd. presents you the following Balance sheet as at 31st March, 2005

Liabilities	Rs.	Assets	Rs
2,500 Equity shares	25,000	Fixed Assets	43,750
8% Preference share capital	5,000	Investments	5 - 6100001107 G.T.
Reserve Fund	20,000	Stock	
6% Debentures	10,000	Sundry Debtors	
Sundry creditiors	15,000	Bank Balance	6,750
Provision for tax	2,500	Preliminary	3,500
Profit and Loss Account (after tax)		Expenses	4,000
Previous year 500			
Current year 7500	8,000	e above in vertical for	Present th
	85,500		85,500

Additional Information:

Tax provided during the current year Rs. 2500 calculate the following ratios: (a) Return on capital Employed (b) Current Ratio (c) Earnings per share (d) Return on proprietor's funds (e) Proprietory ratio.

OR

Q.2 a) Extracts from financial Accounts of XYZ Co. Ltd. are given below:

131st December	Mayna Year - I		Vanga Ye	oni	
•	Assets Rs.	Liabilities Rs.	Assets Rs.	Liabilities Rs.	285
Stock	10,000] B005 [20,000	838	illid
Debtors	30,000	000,0e.L	30,000	Provide the confidence of the	Te -
Payment in Advance	2,000	_	00,000		ns
Cash in hand	20,000	000 08 -	15,000	on r Bank	
Sundry Creditors	Furniture	25,000	000,000	30,000	ti na
Accepatances	Machinery	15,000	e new E	12,000	otite
Bank Overdraft	Land	o maid a tua	ereduc i d	5,000	
Total Rs.	62,000	40,000	65,000	47,000	

Sales amounted to Rs. 3,50,000 in the first year and Rs. 3,00,000 in the second year. You are required to comment on the solvency position of the concern with the help of accounting ratios i.e. Current ratio. Quick ratio Debtor Collection period and Stock to working capital ratio.

[10]

[5]

Q.3 You are required to prepare cash flow statement as per Indirect Method
AS - 3 for the year ended 31.02.2003 from following Balance sheets as
on 31st December and additional information of ATKT Ltd.

Liabilities 1000.0	2002 Rs.	2003 Rs.	Assets and of he	2002 Rs.	2003 Rs.
Share Capital	5,00,000	7,50,000	Building 1800 an		
Share Primium	50,000	75,000	Machinery		2,90,000
Profit & loss A/c	tinU t				-,,,,,,,
12% Debentures	1,00,000		10% Investment	1,00,000	1,00,000
Creditors	1 T. C.	1,00,000	Stock	3,70,000	2,94,000
	80,000	50,000	Debtors	58,000	49,000
Bank Overdraft	8 -	10,000	Advance Tax	5,000	60,000
Tax Provision	6,000	68,000	Cash	5,000	6,000
Bad Debts Provision	4,000	6,000	Bank Balance A/c	6,000	- Total co
O/s Debenture	10		Profit & Loss A/c	7,000	- Profit
Interest	6,000	3,000	Share Issue	5,000	6,000
			Expense	0,000	0,000
Total	7,46,000	10,75,000	Total - Golden	7,46,000	10,75,000

Additional Information:

- a) Share issue expenses incurred in the year Rs. 2500/- good in Model
- b) Depreciation provided on Buildings Rs. 10,000 and Machinery Rs. 20,000/-

O.2 a) Extracts from financial Accountao Q.3 a) Balance sheets of company as on 1st January and 31st December 2005 were as follows:

Liabilities	2004	200=			
Capital	1/1/31/31/5	2005	Assets	2004	200
Loan	1,50,000	1,90,000	Cash	20,000	26,000
	30,000	-	Debtors	54,000	
Loan from Bank	60,000	80,000	Stock	The state of the s	76,000
Creditors	50,000	56,000	15 600 1 1	48,000	42,000
	-	15,000.1		2,000	2,000
andry : 65,000,8	- 1 1/8	5,540	Machinery	90,000	65,000
			Land	36,000	45,000
47,000	996,88	020.05	Buidlings	40,000	70,000
				Co Color	70,000
DAB	2,90,000	3,26,000	Ud.E. 3.5U	2,90,000	3,26,000

During the year, a machine costing Rs. 12,000 (accumulated depreciation Rs. 4,000) was sold for Rs. 5000. The provision for depreciation against machinery as on 1st January was Rs. 24,000 and on 31st Dec., Rs. 37,000/- Net profit for the year 2005 amounted to Rs. 60,000/-

You are required to prepare cash flow statement. (Use Indirect Method).

b) What are the sources of cash (cash in flow)? 31,02,2003 from following Balance sh

[5]

The management of Gemini Enterprises has called for a statement showing the working capital required to finance o level of activity of 1,80,000 units of output for the year. The cost structures for the company's product for the above -mentioned level of activity is detailed below:

			DC	NOW.
	000,00	10% investment	Cost	per Unit
2,94,000		Steck	1,00,000	Rs.
Raw ma				20
Direct L	abour	Advance Tax	000.01	
Overhea	ds			1000.0-
Total cos	st 00.8	Bank Balance A/c		15
Profit				40
Selling P	rice	Share issue		10
		Exprese		30
A	The same of the sa		The second secon	

Additional information :-

- 1. Minimum cash balance desired Rs. 20,000
- 2. Raw materials are held, in stock on an average for two months.
- 3. Work in progress will approximate to half a month's production.
- 4. Finished goods remain in warehouse, on an average for one month.
- 5. Suppliers of raw materials extend one months credit and debtors are given two months credit cash sales are 25% of total sales.

6. There is a time lag in payment of wages of one month and of half a month in the case of overheads.

Prepare on Estimate of working capital requirements.

[15]

OR

- Q.4 a) A company produces and sells 1,000 units of a product per month at the rate of Rs. 20. If the variable cost is Rs. 12 per unit and fixed costs are Rs. 3000 per month.
 - 1. Break Event Point in units
 - 2. If selling price is reduced by 20%. Calculate new Break even point in units.
 - 3. Calculate number of units to be sold at the reduced selling price to earn a profit of Rs. 4,000.

[10]

b) Write a short note on "Angle of Incidence".

[5]

