

FYBCOM Semester End Assessment (Regular/Repeat)

APRIL | MAY 2023

Course Title: Financial Statement Analysis and Interpretation

Course Code: UCOC104

Category: Core Course

Semester: II

Duration: 2 Hours

Max Marks: 80

Instructions:

- Question No. 1 is compulsory.
- Attempt ANY 3 questions from Question no. 2 to Question no. 6.
- Each question carries 20 marks.
- Mention working note required wherever necessary.

Q1. From the following balances of Zomoto Ltd, you are required to prepare statement of profit and loss account for the year ended 31st March 2020. (20 Marks)

Particulars	Debit ₹	Credit ₹
Land	1,00,000	
Building	2,00,000	
Plant and machinery	3,00,000	
Carriage outward	2,300	
Wages	25,000	
Interest on bank loan	3,800	
Opening stock of raw material	85,000	
Sales		4,50,000
Purchase of raw material	2,52,000	
Coal, gas and water	1,800	
Rent and rates	2,100	
10% Debentures		2,00,000
Dividend received		5,000
General expenses	2,500	
Interest on debentures	10,000	
Canteen expenses	3,000	

Additional information:

1. Depreciate land by 5%, machinery by 10% and building by 15%.
2. Provide for income tax at 30% of net profit.
3. The value of closing stock of materials was ₹ 60,100.

Q2. M/s Swiggy ltd. presents the following Trading and Profit and Loss A/c for the year ended 31st March 2021
(20 Marks)

Particulars	₹	Particulars	₹
To opening stock	80,000	By Sales	5,00,000
To purchases	1,50,000	By closing stock	1,00,000
To wages	70,000		
To Gross profit c/d	3,00,000		
	6,00,000		6,00,000
To salaries	25,000	By Gross profit c/d	3,00,000
To rent	15,000	By rent	2,500
To commission	6,000	By interest	7,500
To advertising expenses	5,000		
To printing and stationery	3,000		
To miscellaneous expenses	12,000		
To net profit c/d	2,44,000		
	3,10,000		3,10,000

Calculate the following ratios:

1. Gross profit ratio
2. Net profit ratio
3. Operating ratio
4. Stock turnover ratio

Q3. Following is the Balance sheet of Voosh Ltd. as on 31st March 2019 & 31st March 2020.

(20 Marks)

Balance sheet as on 31st March 2019 & 2020

Liabilities	2019 (₹)	2020 (₹)	Assets	2019 (₹)	2020 (₹)
Equity Share capital	4,30,000	6,30,000	Machinery	3,80,000	5,30,000
Preference share capital	1,80,000	2,20,000	Land and building	2,80,000	3,20,000
Capital reserve	65,000	85,000	Stock	75,000	82,000
Profit and loss A/c	1,20,000	1,50,000	Debtors	90,000	1,40,000
10% Bank loan	80,000	80,000	Cash in hand	70,000	80,000
12% Debentures	1,20,000	1,60,000	Cash at Bank	1,00,000	1,80,000
Bank overdraft	40,000	50,000	Trademarks	75,000	91,000
Provision for taxation	35,000	48,000			
	10,70,000	14,23,000		10,70,000	14,23,000

Prepare Comparative Balance Sheet from the above information in vertical form.

Q4. Following is the Balance Sheet of Dunzo Ltd. as on 31st March 2020.

(20 Marks)

Liabilities	₹	Assets	₹
Equity Share capital (₹10 each)	5,00,000	Fixed assets (at cost)	12,40,000
11% Preference share capital	3,00,000	Short term investment	1,00,000
Reserves and surplus	5,00,000	Inventories	5,00,000
12% Debentures	6,00,000	Cash and bank balance	1,50,000
Trade payables (last year ₹ 3,50,000)	3,00,000	Trade receivables (last year ₹ 9,00,000)	9,50,000
Bank overdraft	2,00,000	Preliminary expenses	60,000
Provision for income tax	2,00,000		
Long term loans	4,00,000		
	30,00,000		30,00,000

Calculate the following ratios:

1. Current ratio
2. Proprietary ratio
3. Liquid ratio
4. Capital gearing ratio

Q5. Following is the Trading and Profit and Loss A/c for the year ended 31st March 2021.

Particulars	₹	Particulars	₹
To opening stock of materials	2,20,000	By sales	10,20,000
To purchase of materials	4,80,000	By closing stock	3,10,000
To wages	1,45,000		
To gross profit c/d	4,85,000		
	13,30,000		13,30,000
To salaries	1,35,000	By gross profit b/d	4,85,000
To general expenses	45,000	By interest received	9,500
To interest on debentures	36,000	By rent	7,200
To advertising	26,000		
To depreciation on Plant	39,000		
To provision for tax	21,000		
To Net profit c/d	1,99,700		
	5,01,700		5,01,700

You are required to prepare common size income statement.

(20 Marks)

Q6. Prepare cash flow statement from the following Balance Sheet as on 31st March 2020 and 31st March 2021 of Eatfree Ltd. **(20 Marks)**

Balance Sheet as 31st March 2020 & 2021.

Liabilities	2020 (₹)	2021 (₹)	Assets	2020 (₹)	2021 (₹)
Share capital	215000	250000	Plant	312500	372500
Reserves	150000	192500	Investments	6250	18750
Loan	18750	31250	Stock	81250	100000
Creditors	68750	56250	Debtors	50000	37500
Outstanding selling expenses	6250	2500	Cash	18750	16250
Provision for depreciation	10000	12500			
	468750	545000		468750	545000

Income Statement for 2021

Particulars		₹
Sales		250000
Cost of sales (including depreciation of ₹ 2500)		187500
		62500
Less: Selling and distribution expenses	12500	
Other expenses	6250	
Interest on loan	1250	20000
Net Profit		42500