

*All questions are compulsory subject to internal choice.

Q.1. Following is the Balance Sheet of Sara Ltd..

BALANCE SHEET AS ON 31ST MARCH 2010.				(1)
Liabilities	Amount	Assets	Amount	
Equity share capital	1,60,000	Goodwill	56,000	
10% preference share	1,60,000	Building	3,52,000	
9% debentures.	64,000	Machinery	1,60,000	
Bank loan	32,000	Furniture	48,000	
Reserves	2,40,000	Investment	32,000	
Creditors	96,000	Debtors.	1,12,000	
Bank overdraft	64,000	Prepaid rent	16,000	
Outstanding rent	11,200	Stock	48,000	
Provision for tax	32,000	Cash	67,200	
Proposed dividend	16,000	Preliminary expenses.	16,000	
Profit and Loss A/c	32,000			
	<u>9,07,200</u>		<u>9,07,200</u>	

You are required to calculate :

1. Current ratio.
2. Stock working capital ratio.
3. Proprietary ratio.
4. Capital Gearing ratio.

(OR)

Q.1. Prepare the format of Cash Flow Statement as per AS-3.

Q.2. From the following information, prepare vertical income statement showing trend %.

(15)

Particulars	2008	2009	2010	2011
Sales	7,20,000	6,48,000	6,12,000	5,04,000
Cost of sales	3,30,000	2,97,000	2,80,500	2,31,000
Administrative expenses.	90,000	90,000	81,000	81,000
Selling & Distribution expsn.	72,000	64,800	61,200	50,400
Financial expenses.	24,000	24,000	24,000	24,000
Income tax provisions	61,200	51,660	49,590	35,280

(OR)

Q.2. Following is the balance sheet of TCL Ltd., for the year ended 31.12.2004 and 31.12.2005 . Prepare Comparative Statement.

Liabilities	2004	2005	Assets	2004	2005
Share capital	4,20,000	4,50,000	Goodwill	60,000	60,000
General reserves	48,000	1,20,000	Land	1,80,000	2,40,000
Profit & Loss A/c	45,000	48,000	Machinery	1,68,000	1,51,200
10% debentures	1,20,000	1,80,000	Building	48,000	2,52,000
Capital reserve	39,000	27,000	Vehicle	30,000	27,000
Bank loan	72,000	24,000	Computers	72,000	48,000
Creditors	24,000	18,000	Furniture	1,50,000	1,02,000
Bills payable	12,000	15,000	Stock	72,000	21,000
Proposed dividend	24,000	30,000	Debtors.	24,000	15,000
Provision for tax	27,000	33,000	Bills receivable.	15,000	13,800
			Bank	3,000	15,000
			Preliminary exps.	9,000	--
	<u>8,31,000</u>	<u>9,45,000</u>		<u>8,31,000</u>	<u>9,45,000</u>

Q.3. Present the following information in Vertical Income Statement.

Particulars	Amount	Particulars	Amount
To opening stock	38,125	By sales	301175
To purchases	1,57,625	(-) returns	5000
To carriage	3,500	By closing stock	2,96,175
To staff salary	10,000	By interest received.	49,200
To interest on debentures	600	By dividend on shares	1,875
To office rent.	1,350	By profit on sale of investments.	1,900
To Printing & Stn.	1,250		
To Salesman salary	7,650		
To Advertisement	2,350		
To Discount	1,200		
To depreciation	4,650		
To insurance	500		
To electricity	1,750		
To travelling exps.	1,000		
To Provision for claim on damages.	825		
To loss on sale of machinery.	1,750		
To directors fee	24,000		
To legal charges	3,200		
To telephone exps.	375		
To Bad debts.	1,700		
To net profit c/d	88,175		
	3,50,000		3,50,000

(OR)

Q.3. Prepare common size statement from the following information :
BALANCE SHEET AS ON 31ST MARCH 2007.

Liabilities	Amount Rs.	Assets	Amount Rs.
Creditors.	7,875	Fixed assets	1,19,000
Bills payable	14,625	Stock	18,750
HDFC Bank loan	42,188	Debtors.	20,800
Share capital	1,23,375	Cash	5,000
Reserves & Surplus	18,750	Prepaid expenses.	41,200
		Other current assets	1,800
	2,06,813		2,06,813

INCOME & EXPENDITURE STATEMENT FOR THE YEAR ENDING 31ST MARCH 2007

Expenditure	Amount	Income	Amount
To cost of goods sold	1,33,313	By net sales	2,37,900
To selling expenses.	67,500	By other income	2,200
To office & Admn.exps.	17,250		
To Provision for tax	6,375		
To loss on sale of bonds	9,000		
To net income	6,750		
	2,40,188		2,40,188

Q.4. From the given income statement of Yash Ltd., calculate :

(8)

- i. Gross profit ratio.
- ii. Operating ratio.
- iii. Net profit ratio.
- iv. Selling expenses ratio.

INCOME STATEMENT FOR THE YEAR ENDED 31.12.2011.

Particulars	Amount
Sales	Rs. 64,000
<u>Less:</u> Cost of goods sold	36,700
Gross profit	27,300
<u>Less: Operating expenses :</u>	
Administrative expenses	7,600
Selling expenses	1,040
Financial expenses	2,660
	11,300
Net profit before tax.	16,000
<u>Less:</u> Provision for tax.	5,600
Net profit after tax	10,400

(B) Distinguish between Cash Flow Statement and Fund Flow Statement.

(7)

(OR)

Q.4. Write short notes on (ANY THREE):

(15)

1. Explain working capital in brief.
2. Long term sources of finance.
3. Qualities of a Finance Manager.
4. Uses of Trend Analysis.

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