



Name:
Enrolment No:

UPES, University
End Semester Examination, May 2024

Course: Financial Statement Analysis and Reporting
Program: Integrated BCom-MBA
Course Code: FINC2081

Semester: II
Time : 03 hrs.
Max. Marks: 100

Instructions:

SECTION A
10Qx2M=20Marks

S. No.		Marks	CO
Q 1:	Which of the following financial statements shows the financial position of a company at a specific point in time?		
i)	a) Income statement b) Statement of cash flows c) Balance sheet. d) Statement of retained earnings	2	CO1
ii)	What does the income statement report? a) Assets, liabilities, and equity of a company b) Changes in equity during a period c) Cash flows from operating, investing, and financing activities d) Revenues, expenses, and net income or loss for a period.	2	CO1
iii)	Which of the following is a measure of a company's profitability? a) Current ratio b) Debt-to-equity ratio c) Return on assets (ROA) d) Inventory turnover ratio	2	CO1
iv)	Which financial statement reports cash inflows and outflows from operating, investing, and financing activities? a) Income statement b) Balance sheet c) Statement of cash flows d) Statement of changes in equity	2	CO1
v)	What does the debt-to-equity ratio measure? a) The company's ability to meet its short-term obligations b) The proportion of debt financing to equity financing in a company's capital structure. c) The company's ability to generate profits from its assets	2	CO1

	d) The efficiency of the company's inventory management		
vi)	What does the gross profit margin measure? a) The proportion of sales revenue that remains after deducting the cost of goods sold. b) The proportion of net income to total revenue c) The company's ability to generate profits from its assets d) The efficiency of the company's inventory management	2	CO1
vii)	Which financial statement shows changes in equity over a period of time? a) Income statement b) Balance sheet c) Statement of changes in equity. d) Statement of cash flows	2	CO1
viii)	What is the purpose of ratio analysis in financial reporting? a) To compare a company's financial performance with industry benchmarks. b) To determine the absolute value of a company's assets c) To calculate the total revenue of a company d) To evaluate the company's compliance with tax regulations	2	CO1
ix)	Which of the following statements is true about the accrual basis of accounting? a) It records revenues and expenses when cash is received or paid b) It records revenues and expenses when they are earned or incurred, regardless of when cash is received or paid. c) It only records cash transactions d) It only records transactions that result in an increase or decrease in cash	2	CO1
x)	What is the purpose of the auditor's report in financial statements? a) To provide management's analysis and interpretation of the financial results b) To disclose any significant accounting policies used by the company c) To express an opinion on the fairness of the financial statements. d) To provide a summary of the company's financial position	2	CO1
SECTION B 4Qx5M= 20 Marks			
Q11.	Write the meaning of finance lease along with its features	5	CO2
Q12.	Draw the IASB's Framework for Financial Reporting	5	CO2
Q13.	Explain the general purpose of financial reporting	5	CO2
Q14.	What is schedule III of Companies Act 2013	5	CO2
SECTION-C 3Qx10M=30 Marks			

Q15.	Explain general instructions for preparation of financial statement in schedule III.	10	CO3																																				
Q16.	<p>Prepare Store Ledger using FIFO Method from the following:</p> <table border="1" data-bbox="228 359 1162 806"> <thead> <tr> <th data-bbox="228 359 448 401"></th> <th data-bbox="448 359 940 401">Receipts</th> <th data-bbox="940 359 1162 401">Issue</th> </tr> </thead> <tbody> <tr> <td data-bbox="228 401 448 436">1st Jan</td> <td data-bbox="448 401 940 436">400 units @ Rs 10/unit</td> <td data-bbox="940 401 1162 436"></td> </tr> <tr> <td data-bbox="228 436 448 472">5th jan</td> <td data-bbox="448 436 940 472">200 units @ Rs 12/unit</td> <td data-bbox="940 436 1162 472"></td> </tr> <tr> <td data-bbox="228 472 448 508">10th Jan</td> <td data-bbox="448 472 940 508">500 units @ Rs 11/unit</td> <td data-bbox="940 472 1162 508"></td> </tr> <tr> <td data-bbox="228 508 448 543">12th Jan</td> <td data-bbox="448 508 940 543"></td> <td data-bbox="940 508 1162 543">300 units</td> </tr> <tr> <td data-bbox="228 543 448 579">15th Jan</td> <td data-bbox="448 543 940 579"></td> <td data-bbox="940 543 1162 579">200 units</td> </tr> <tr> <td data-bbox="228 579 448 615">20th jan</td> <td data-bbox="448 579 940 615">300 units @ Rs 14/unit</td> <td data-bbox="940 579 1162 615"></td> </tr> <tr> <td data-bbox="228 615 448 651">22nd Jan</td> <td data-bbox="448 615 940 651"></td> <td data-bbox="940 615 1162 651">400 units</td> </tr> <tr> <td data-bbox="228 651 448 686">25th Jan</td> <td data-bbox="448 651 940 686">250 units @ Rs 15/unit</td> <td data-bbox="940 651 1162 686"></td> </tr> <tr> <td data-bbox="228 686 448 722">26th Jan</td> <td data-bbox="448 686 940 722">200 units @ Rs 16/unit</td> <td data-bbox="940 686 1162 722"></td> </tr> <tr> <td data-bbox="228 722 448 758">29th Jan</td> <td data-bbox="448 722 940 758"></td> <td data-bbox="940 722 1162 758">300 units</td> </tr> <tr> <td data-bbox="228 758 448 793">31st Jan</td> <td data-bbox="448 758 940 793"></td> <td data-bbox="940 758 1162 793">200 units</td> </tr> </tbody> </table>		Receipts	Issue	1st Jan	400 units @ Rs 10/unit		5th jan	200 units @ Rs 12/unit		10th Jan	500 units @ Rs 11/unit		12th Jan		300 units	15th Jan		200 units	20th jan	300 units @ Rs 14/unit		22nd Jan		400 units	25th Jan	250 units @ Rs 15/unit		26th Jan	200 units @ Rs 16/unit		29th Jan		300 units	31st Jan		200 units	10	CO3
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Q17.	<p>a) Calculate return on capital employed with the following information: Equity share capital ₹20,00,000. Reserves and surplus (including current year profit ₹5,00,000) is ₹ 9,00,000. 10% debenture ₹10,00,000. current liabilities ₹16,00,000. fixed assets ₹30,00,000. current assets ₹25,00,000.</p> <p>b) Calculate inventory turnover ratio from the following data: opening stock ₹56,000 closing stock ₹44,000 sales ₹5,00,000 gross profit margin on sales 20%</p>	5+5	CO3																																				
SECTION-D 2Qx15M= 30 Marks																																							

Q18.	<p>From the following accounts of ABC limited you are required to calculate the following ratios and comment on results:</p> <ol style="list-style-type: none"> 1) Gross Profit Percentage 2) Net Profit Percentage 3) Return On Total Assets. 4) Quick Assets Ratio 5) Debtors' Collection Period 6) Stock Turnover Ratio. 7) Fixed Assets Turnover 8) Return On Shareholders Fund. 9) Current Ratio 10) Debt Ratio <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Equity and Liabilities</th> <th style="text-align: center;">(₹ '000)</th> <th style="text-align: center;">(₹ '000)</th> </tr> </thead> <tbody> <tr> <td colspan="3">Share Capital:</td> </tr> <tr> <td>Reserves and Surplus</td> <td style="text-align: center;">450</td> <td></td> </tr> <tr> <td>Shareholders Fund</td> <td style="text-align: center;"><u>240</u></td> <td style="text-align: center;">690</td> </tr> <tr> <td colspan="3">Non current Liabilities:</td> </tr> <tr> <td>long term borrowings (12% debentures)</td> <td style="text-align: center;"><u>700</u></td> <td style="text-align: center;">700</td> </tr> <tr> <td colspan="3">Current Liabilities:</td> </tr> <tr> <td>Trade Payables</td> <td style="text-align: center;">620</td> <td></td> </tr> <tr> <td>Other Current Liabilities</td> <td style="text-align: center;"><u>45</u></td> <td style="text-align: center;"><u>665</u></td> </tr> <tr> <td style="text-align: right;">Total</td> <td></td> <td style="text-align: center;"><u>2055</u></td> </tr> <tr> <td colspan="3">Assets</td> </tr> <tr> <td colspan="3">Non-current Assets:</td> </tr> <tr> <td>Fixed Assets</td> <td style="text-align: center;"><u>875</u></td> <td style="text-align: center;">875</td> </tr> <tr> <td colspan="3">Current Assets:</td> </tr> <tr> <td>Inventories</td> <td style="text-align: center;">310</td> <td></td> </tr> <tr> <td>Trade Receivables</td> <td style="text-align: center;">770</td> <td></td> </tr> <tr> <td>Cash at Bank</td> <td style="text-align: center;"><u>100</u></td> <td style="text-align: center;"><u>1180</u></td> </tr> <tr> <td style="text-align: right;">Total</td> <td></td> <td style="text-align: center;"><u>2055</u></td> </tr> </tbody> </table>	Equity and Liabilities	(₹ '000)	(₹ '000)	Share Capital:			Reserves and Surplus	450		Shareholders Fund	<u>240</u>	690	Non current Liabilities:			long term borrowings (12% debentures)	<u>700</u>	700	Current Liabilities:			Trade Payables	620		Other Current Liabilities	<u>45</u>	<u>665</u>	Total		<u>2055</u>	Assets			Non-current Assets:			Fixed Assets	<u>875</u>	875	Current Assets:			Inventories	310		Trade Receivables	770		Cash at Bank	<u>100</u>	<u>1180</u>	Total		<u>2055</u>	15	CO4
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