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**PRESIDENCY UNIVERSITY
BENGALURU**

Department of Research & Development

Mid-Term Examinations - AUGUST 2024

Odd Semester: Ph.D. Course Work

Date: 12-08-2024

Course Code: COM811

Time: 02.00pm to 03.30pm

Course Name: Financial Accounting & Analysis

Max Marks: 50

Department: Commerce & Economics

Weightage: 25%

Instructions:

- (i) Read the all questions carefully and answer accordingly.
- (ii) Do not write any information on the question paper other than roll number.

Part A (Thought Provoking)

Answer all questions. Each question carries 5 marks. (4Qx 5M=20M)

1. Classify the types of accounts and write accounting rules with example transaction for each type of account
2. Identify different accounting standards with emphasis on IFRS
3. "Ratio analysis is a tool to examine the health of business with a view to make financial results more intelligible." Substantiate in the context of start-up / new-age companies
4. Summarize the different aspects involved in accounting process

Part B (Problem Solving)

Answer all questions. Each question carries 10 marks. (3 Q x 10 M=30 M)

5. From the following information prepare trading and Profit and Loss A/c for the year ended 31/03/2024 and the balance sheet on that date

Asset and Liabilities	01-04-2023	31-03-2024
	Rs.	Rs.
Debtors	18000	25000
Stock	9800	13200
Furniture	1000	1500
Creditors	6000	4500
Cash on Hand	5000	?
Analysis of other Transactions		
	Rs.	
Cash Collected from Debtors	60800	
Cash Paid to Creditors	44000	
Salaries	12000	
Rent	1500	
Office Expense	1800	

Drawings	3000
Foreign Capital Introduced	2000
Cash Sales	1500
Cash Purchases	5000
Discount received	700
Discount Allowed	300
Return Inward	1000
Bad Debts	200

6. The following was the Balance Sheet of Ramco Ltd. as on 31.3.2023:

Liabilities	Rs.	Assets	Rs.
Share Capital:		Fixed Assets:	
12%, 2,000 preference shares of Rs. 100 each fully paid up	2,00,000	Land	1,20,000
		Buildings	1,90,000
1,00,000 equity shares of 10 each, 7.5 per share paid up	7,50,000	Plant and machinery	6,40,000
		Patents	40,000
Secured Loans:		Investments	Nil
11% debentures (Having a floating charge on all assets)	2,50,000	Current assets	
		Stock	1,20,000
Interest accrued on above debentures (Also having a floating charge as above)	32,200	Sundry Debtors	2,50,000
		Cash at Bank	80,000
Loan on mortgage of land and building	1,80,000	Loans and advances	Nil
Current liabilities	Nil		
Sundry creditors	1,14,000		
	15,26,200		15,26,200

On 31.3.2023 the company went into voluntary liquidation. The assets realized the following sums:

Land Rs. 1,50,000; Buildings Rs. 2,50,000; Plant and machinery Rs. 4,50,000; Patent Rs. 70,000; Stock Rs. 90,000; Sundry debtors Rs. 2,00,000

The expenses of liquidation amounted to Rs. 30,200. The liquidator is entitled to a commission of 2% on all assets realized (except cash at bank) and 2% on amounts distributed among unsecured creditors other than preferential creditors. Sundry creditors include preferential creditors amounting to Rs. 40,000.

Prepare liquidator's final statement of account. Liquidator realized all assets on 1.4.2023 and discharged his obligation on the same date. Dividend on preference shares were in arrears for two years.

7. Discuss in detail about the nature of financial accounting principles.