

2017

M. Com.

4th Semester Examination

FINANCIAL STATEMENT ANALYSIS

PAPER – COM –404

Full Marks : 50

Time : 2 Hours

*The figures in the right-hand margin indicate full marks.**Candidates are required to give their answers in their own words as far as practicable.***UNIT – I****1. Answer any two questions of the following: 5 X 2**

- (a) Write the three distinct characteristics of debtors also ascertain the cost of financing average debtors when a firm sells its article at a profit of 25% on cost and average debtor balance amounted to Rs 8,00,000/-. Investment in debtors is being finance by bank borrowings at 15%..

- (b) Calculate the Gross Profit ration from the following information –

Credit Sales (80% of total sales)	Rs 1,60,000/-
Sales Return	Rs. 20,000/-
Purchase less return	Rs. 80,000/-
Opening Stock	Rs. 20,000/-
Closing Stock	Rs. 30,000/-
Direct Expenses	Rs. 20,000/-

- (c) Explain the objectives of financial statement analysis.
(d) Distinguish between cash flow statement and income statement?

(Turn over)

(2)

2. Answer any one questions of the following: 10 X 1

- a) Prepare cash flow statement as per AS-3 as on 31.12.16

Balance sheet as on 31.12.16

Liabilities	2015 (Rs)	2016 (Rs)	Assets	2015 (Rs)	2016 (Rs)
Capital	3,00,000	3,50,000	L & B	2,20,000	3,00,000
BO	3,20,000	2,00,000	Machine	4,00,000	2,80,000
BP	1,00,000	80,000	Stock	1,00,000	90,000
Creditor	1,80,000	2,50,000	Debtor	1,40,000	1,60,000
			Cash	40,000	50,000
				9,00,000	8,80,000

Additional information: Net profit for the year Rs.1,20,000/- , machinery of Rs.50,000/- (depreciation Rs. 20,000/-) was sold for Rs 26,000/- and provision for depreciation balance as on 31.12.15 was Rs. 1,00,000/- and on 31.12.16 it was 1,70,000/-

- b) Write different ratios used in FSA. Also explain any three of them
2+8

UNIT – II**3. Answer any two questions of the following: 5 X 2**

- a) Write the key differences between IFRS-8 and IAS-14
b) What do you mean by segment reporting and give its necessity.
c) Difference between IFRS and Indian AS .
d) Discuss in brief the usefulness of CSR.

4. Answer any one questions of the following: 10 X 1

- a) (i) Define Balanced Scorecard. What are the three areas of special balances?
(ii) Describe the feature of Balanced Scorecard.
(iii) What are the pitfalls for implementing a Balanced Scorecard?

3+4+3

- b) What is CSR? Describe the stages to be followed by the corporate for implementing Green Accounting in India?

(Internal Assessment :10 marks)