**STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600 086.**
**(For candidates admitted during the academic year 2008-09 & thereafter)**

**SUBJECT CODE : CM/MC/AA64**

**B.Com. DEGREE EXAMINATION APRIL 2013**
**COMMERCE**
**SIXTH SEMESTER**

COURSE    :    MAJOR – CORE
PAPER     :    AUTOMATED ACCOUNTING PRACTICES - THEORY
TIME      :    2 HOURS                    MAX. MARKS : 70

**SECTION A**

ANSWER ALL QUESTIONS:                                      20 x 1 = 20

**Fill in the blanks:**

1. Working capital is the difference between current assets and _____.
2. Funds inflow from operation is _____ of funds.
3. To fit a trend line _____ type of data is used.
4. Analysis of financial statements is meant for deriving additional information for various _____ parties.
5. _____ is the process of predicting the value of the dependent variable that depends on one or more number of independent variable.
6. In Tally grouping is done at the time of _____ creation.
7. _____ assets cannot be seen and has no fixed shape.
8. _____ voucher is used for fund transfer between cash and bank accounts only.
9. Financial period can be changed by using the _____ button.
10. Issue of shares result in _____ .

**State whether the following statement s are true or false:**

11. Common size statements is a technique used for capital budgeting.
12. Regression analysis is significance for forecasting.
13. Debit note vouchers are raised in case of sales returns.
14. Current ratio indicates the ability to meet short term obligation.
15. In a group ledger each transaction is dealt separately .

**Choose the correct answer:**

16. Payment of dividend is a
    a. Application of funds          c. Source of fund
    b. Income                        d. None of the above
17. Trend analysis is significant for
    a. Profit planning               c. Working capital management
    b. Capital rationing             d. Analysis and interpretation
18. Inventory master helps in
    a. Create stock group            c. create ledger
    b. Create journal                d. None of the above

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19. Samples distributed out of purchases are transferred to
      a. Purchases                 c. Sales
      b. Advertisement        d. None of the above
20. Furniture purchased from Ram on credit for Rs 12,000 is debited to
      a. Cash                    c. Purchases
      b. Furniture              d. None of the above

## SECTION B

**ANSWER ALL QUESTIONS**                                    **10 x 2 =20**

21. Distinguish between Fund flow statement and cash flow statement.

22. What is called time value of money?

23. What do you understand by payment voucher?

24. What is called a delivery note?

25. What do you mean by a cost centre?

26. How do you determine slope and intercept using Excel?

27. What are called turnover ratios?

28. State the uses of regression analysis?

29. How would you edit a voucher?

30. List out the various project evaluation techniques.

## SECTION C

**ANSWER ANY FIVE QUESTIONS**                               **5 x 6 = 30**

31. Explain stock group, stock category and stock item with suitable examples.

32. What is called a ledger? How would you create a group ledger in Tally? How would you edit and delete a ledger?

33. Prepare a comparative statement income statement and find the profit of Excel ltd.

|                  | 2010   | 2011   |
| ---------------- | ------ | ------ |
| Purchases        | 80000  | 150000 |
| Direct expenses  | 20000  | 50000  |
| Sales            | 180000 | 260000 |
| Office expenses  | 20000  | 25000  |
| Selling expenses | 10000  | 15000  |
| Finance expenses | 10000  | 8000   |

34. Enter the following voucher entries in Tally.
    a. Ram introduced Rs 50,000 as additional capital on 1$^{st}$ April 2012.
    b. He purchased good worth Rs 28,000 from Srimathi on credit.
    c. Goods worth Rs 2,600 was returned to Srimathi.
    d. A payment for Rs 25,000 was made by cheque to Srimathi on full settlement.
    e. Ram withdrew Rs 12000 for his personal use.

35. Mr. X deposits Rs 2000 at the end of every year for 5 years in his savings account paying 5% interest compounded annually. He wants to determine how much sum of money he will have at the end of the 5$^{th}$ year?
    b. Calculate the present value of Rs. 12,000 received for a period of 5 years at a discount rate of 10%.

36. Explain how the following functions are determined in Excel?
    a. Future value of money
    b. Forecast
    c. Net present value
    d. Trend
    e. Interest rate for an investment

37. Given the following information calculate the current ratio , liquid ratio and quick ratio/ acid test ratio.

| Particulars | 2012 |
|---|---|
| Stock | 25,000 |
| Debtors | 10,000 |
| Cash in and | 5,000 |
| Creditors | 8,000 |
| Bills payable | 2,000 |
| Provision for tax | 5,000 |
| Bank overdraft | 1,000 |

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COURSE    :    MAJOR – CORE
PAPER     :    AUTOMATED ACCOUNTING PRACTICES – PRACTICAL  I
TIME      :    1 HOUR                    MAX. MARKS : 30

**ANSWER ALL QUESTIONS**                **2 x 15 = 30**

1.  a. How would you estimate sales for the year 2015 using the method of least squares for the following data.

| Year | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|------|------|------|------|------|------|------|
| Sales (in '000) | 40 | 54 | 67 | 78 | 85 | 96 |

  b. A person is required to pay four equal annual payments of Rs 4,000 each in his deposit account that pays 10% interest per year at the end of each year . Find out the future value of annuity at the end of four years.

2.  a. The initial investment and the annual cash inflows are  given below. Suggest which proposal is to be accepted at 10% cost of capital .

| Particulars | Project A ( in Rs. ) | Project B ( in Rs. ) |
|-------------|----------|----------|
| Initial investment | 5,00,000 | 8,00,000 |
| Annual cash inflow For 1 to 10 years | 80,000 | 96,000 |

  b. Prepare a trading account from the following information.

| | | | |
|---|---|---|---|
| Opening stock | 50,000 | Closing stock | 78,000 |
| Purchases | 2,80,000 | Purchases returns | 10,000 |
| Sales | 3,72,000 | Direct expenses | 8,000 |
| Sales returns | 2,000 | Direct labour | 12,000 |
| Office lighting | 17,500 | Fuel | 4,000 |
| Packaging expenses On sales distribution | 12,350 | Factory expenses | 5,000 |

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TIME      :    1 HOUR                                      MAX. MARKS : 30

**ANSWER ALL QUESTIONS**                                   **2 x 15 = 30**

1. A sole trader provides the following balance sheet and additional information to you with the request to prepare a Funds flow statement for the year ending 31st December 2012.

| Liabilities | 2011 | 2012 | Assets | 2011 | 2012 |
|---|---|---|---|---|---|
| Capital | 80,000 | 1,20,000 | Furniture | 40,000 | 36,000 |
| Loan | 60,000 | 1,18,000 | Machinery | 20,000 | 1,17,000 |
| Creditors | 30,000 | 40,000 | Cash | 50,000 | 70,000 |
| | | | Stock | 40,000 | 30,000 |
| | | | Debtors | 20,000 | 25,000 |
| | | | | | |
| | 1,70,000 | 2,78,000 | | 1,70,000 | 2,78,000 |

Additional  information:
1. During  the  year  depreciation  charged  on  furniture at 10%
2. Dividend  Rs. 5,000 was paid in 2012.


2. Prepare Trading  and  profit  and  loss  account from  the  following  particulars.

| | Rs. | | Rs. |
|---|---|---|---|
| Opening  stock | 3,600 | Rent (Factory) | 400 |
| `Purchases | 18,260 | Rent (Office) | 500 |
| Wages | 3,620 | Sales returns | 700 |
| Closing  stock | 4,420 | Purchase  returns | 900 |
| Sales | 32,000 | General  expenses | 1,000 |
| Carriage  on purchases | 500 | Discount  on  customers | 360 |
| Carriage  on  sales | 400 | Interest  from  bank | 200 |
| Depreciation | 1,200 | Dividend received | 500 |
| Preliminary expenses | 1,000 | Book Debts | 10,000 |

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