

Set-B

Name:	 UPES UNIVERSITY WITH A PURPOSE
Enrolment No:	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, Dec 2019

Course: Financial Statement Analysis **Semester: Ist**
Program : MA Economics (Specialization in Energy Economics) **Time: 3 Hours**
Max. Marks : 100 **C.C : FINC 7001**

SECTION A (10 * 2 Marks Each - 20 Marks)

	Multiple Choice Questions	Marks	CO
Q1	Optimum order level is calculate by considering a. Ordering cost b. Carrying cost c. Both of the above d. Unit cost	2	1
Q2 are the costs of manufacturing goods by work force in the firm. a. Direct Materials b. Direct Labour c. Overheads d. None of these.	2	3
Q3	Staff welfare expense is distributed on the basis of a. Floor area b. Number of workers c. Value of machines d. Any of the above	2	2
Q4	The workers get incentive @ 50% of time saved in case of plan. a. Halsey b. Rowan c. Merrick d. Differential piece rate	2	1
Q5	The valuation of stock can be done on the basis of method. a. First in First out. b. Last in First out. c. Weighted Average d. Any of the above	2	3

Q6	Direct cost is calculated by considering a. Direct Material b. Direct Labour c. Direct Expenses d. All of the Above	2	3
Q7	Stock turnover ratio is calculated by dividing by average stock. a. Cost of goods sold b. Sales Value c. Creditors turnover ratio d. None of these	2	2
Q8 method of stock valuation considers the value of stock at the oldest rate a. FIFO b. LIFO c. Weighted Average d. None of these	2	1
Q9	The ordering cost is considered as while calculating economic order quantity. a. Cost Per order b. Per unit per month c. Aggregate d. None of these	2	3
Q10 is the method for calculating labour turnover. a. Merrick multiple piece rate system b. Piece rate system c. Differential piece rate system d. None of these	2	2

SECTION B (4* 5 Marks Each -20 Marks)

Q11	From the following transactions determine which account is to be debited and which account is to be credited. 1. Rent paid. 2. Furniture purchased. 3. Cash received from Ram. 4. Machinery sold. 5. Paid to Mohan.	5	2																
Q12	The following information is obtained from the costing records of a manufacturing concern in respect of job number 205.	5	1																
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	Department- 2 Rs.3,000 for 6,000 hours Department- 3 Rs.1,000 for 800 hours Fixed expenses Rs.5,000 for 2,000 hours																					
	Calculate the cost for Job number 205 and find out the price to be charged so as to earn a profit of 10% on cost.																					
Q13	Explain the different methods of costing.		5	2																		
Q14	Example Calculate machine hour rate for the following machine whose scrap value is nil. <table border="1" data-bbox="175 783 1279 1413"> <tr> <td>Cost of machine</td> <td>Rs.1,30,000</td> </tr> <tr> <td>Freight and Installation Charges</td> <td>Rs. 20,000</td> </tr> <tr> <td>Working Life</td> <td>10 years</td> </tr> <tr> <td>Working hours</td> <td>1,500 per year</td> </tr> <tr> <td>Repairing Charges</td> <td>40% of Depreciation</td> </tr> <tr> <td>Power 10 units per hour, rate 10 paisa per unit</td> <td></td> </tr> <tr> <td>Lubricating oil 8 hours per day @ Rs.6 per day</td> <td></td> </tr> <tr> <td>Consumable Stores 8 hours per day @ Rs.10 per day</td> <td></td> </tr> <tr> <td>Wages of operator Rs.4 per day</td> <td></td> </tr> </table>	Cost of machine	Rs.1,30,000	Freight and Installation Charges	Rs. 20,000	Working Life	10 years	Working hours	1,500 per year	Repairing Charges	40% of Depreciation	Power 10 units per hour, rate 10 paisa per unit		Lubricating oil 8 hours per day @ Rs.6 per day		Consumable Stores 8 hours per day @ Rs.10 per day		Wages of operator Rs.4 per day			5	3
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SECTION-C		(3* 10 Marks Each- 30 Marks)																				
Q15	X Limited purchased a machinery for Rs.85,000 on 1st October 1993. It purchased another machinery on 1st July, 1995 for Rs.30,000 and sold the 1st machinery for Rs.72,000 on 1st October 1996. Prepare machinery Account up to 31st December 1996 if the depreciation is provided @10% per annum according to straight line method.		10	2																		
Q16	Prepare trading and profit and loss account and balance sheet:		10	3																		

	Debit Balances	Amount (Rs.)	Credit Balances	Amount (Rs.)		
	Land and Building	7,800	Capital Account	14,800		
	Debtors	6,300	Bills payable	3,300		
	Drawings	6,040	Sales	19,350		
	Purchases	7,560				
	Factory expenses	5,000				
	Cash	1,500				
	Stock	2,000				
	Discount	350				
	Sundry expenses	200				
	Carriage	700				
		37,450		37,450		

Closing stock was Rs.1,500

Q17 Prepare a stores ledger account according to Weighted Average method.

10

1

Date	Receipts/Issues	Units	Rate
01/01/2010	Receipt	300	10
05/01/2010	Issue	280	
08/01/2010	Receipt	150	5
12/01/2010	Issue	100	
18/01/2010	Receipt	20	10
20/01/2010	Receipt	35	3

SECTION-D

(30 Marks)

Q18 The following information is given about XYZ Ltd.

30

2

- Closing stock = Rs.15,000
- Book debts = Rs.28,000
- Expenses paid in advance = Rs.3,500
- Expenses payable = Rs.2,100
- Creditors = Rs.15,000
- Bills receivable = Rs.30,000
- Accounts Payable = Rs.9,000
- Bank overdraft = Rs.3,000
- Sales = Rs.3,00,000
- Fixed assets = Rs.1,80,000
- Indirect expenses = Rs.30,000

L. Cost of goods sold = Rs.2,00,000

Calculate:-

i. Current ratio

ii Quick ratio

iii Stock turnover ratio

iv. Fixed assets turnover ratio

v. Working capital turnover ratio

vi Gross profit ratio

vii Net profit ratio

viii Creditors turnover ratio

ix Debtors turnover ratio

x. Average collection period

xi Average payment period