

TERM END EXAMINATION - DECEMBER, 2018
DIPLOMA IN ACCOUNTING
(DIA)

DIA-06: ANALYSIS OF FINANCIAL STATEMENT

DIA-06

Total Marks: 100

Time: 3 Hrs.

(Instructions: Answer all the questions from Group A, answer any four questions from Group B & any four questions from Group C and any two questions from Group D)

Group A

Q.1 Multiple-Choice Questions-

(1×10=10)

- i. Trend ratios, Trend Percentage and graphs are used in
 - a. Vertical Analysis
 - b. Horizontal Analysis
 - c. Static Analysis
 - d. Dynamic Analysis

- ii. Which is not the method of trend analysis
 - a. Trend Percentage
 - b. Trend Ratios
 - c. Averages
 - d. None of the Above

- iii. The financial statement that provide financial position is
 - a. Income Statement
 - b. Cash Flow Statement
 - c. Funds Flow Statement
 - d. Balance Sheet

- iv. A very high current ratio will
 - a. Increase the profitability
 - b. Adverse impact on profitability
 - c. Not affected the profitability
 - d. None of the Above

- v. Consider the following information relating to K. Manisha Ltd. Net worth Rs. 250 Lakhs; Total assets Rs. 600 Lakhs; Long-term debt Rs. 200 Lakhs; Current liability Rs. 150 Lakhs. The debt equity ratio of the company is
 - a. 0.583
 - b. 0.333
 - c. 0.800
 - d. 1.400

- vi. If current ratio is given as 2.5, liquid assets are Rs. 60,000, then the value of the stock will be
 - a. Rs. 60,000
 - b. Rs. 40,000
 - c. Rs. 20,000
 - d. Rs. 30,000

- vii. Fixed interest bearing funds do not include one of the following
 - a. Debentures
 - b. Long-term investments
 - c. Preference share capital
 - d. Public deposits

- viii. Payment to creditors will result in _____
 - a. Sources of funds
 - b. Application of funds
 - c. No impact on funds
 - d. None of the above

- ix. Which of the following is not a cash inflow
 - a. Purchase of machinery
 - b. Issue of Debentures
 - c. Sale of Investments
 - d. None