I Semester M.Com. (F&A) Examination, February 2019
(CBCS)
1.1 : ACCOUNTING CONVENTIONS AND STANDARDS

Time : 3 Hours  Max. Marks : 70

SECTION – A

1. Answer any seven questions out of ten. Each question carries two marks. (7x2=14)
   a) Define 'Accounting Standards'.
   b) State any two reasons why Government should set the Accounting Standards.
   c) Name the three fundamental accounting assumptions as per AS-1.
   d) How do you treat Government Grants in the nature of promoters' contribution?
   e) What are the two acceptable methods for recognition of revenue under AS-9?
   f) What are interim financial statements?
   g) What is a qualifying asset? And how do you treat borrowing costs relating to such qualifying assets?
   h) State any two differences between Accounting Standards (in India) and International Accounting Standards (IAS/IFRS).
   i) What is the prescribed accounting treatment for Research Expenditure?
   j) How do you treat post-employment benefits: Defined Contribution Plans?

SECTION – B

Answer any four questions out of six. Each question carries five marks. (4x5=20)

2. What are the difficulties faced by the Standard Setters?

3. Explain the principles for preparation of first balance sheet of a transferee company under an amalgamation in the nature of merger.

4. Explain Deferred Tax.
5. List out the steps involved in issuing Accounting Standards in India.

6. What are the standards relating to Government Grants under AS-12?

7. Give the formula for calculating Basic and Diluted Earnings per Share.

SECTION – C

Answer any three questions out of five. Each question carries twelve marks. (3x12=36)

8. Explain the provisions of AS - 2 – Valuation of Inventories.

9. Explain the principles of accounting for fixed assets based on ‘AS-10: Accounting for Fixed Assets’.

10. How do you treat the following items in the financial statements based on AS -11? “Effects of changes in foreign exchange rates”.
   a) Transactions in Foreign Currency
   b) Foreign Operations.

11. What are the two types of Leases? Explain the accounting treatment of these ‘Leases’ by Lessor and Lessee.

12. Prepare Cash Flow Statement of Rapid Limited in accordance with AS-3 from the following summary cash account for the year ending 31st March 2016. You may use either direct method or indirect method.

   **Rapid Limited Balance Sheet as at 31-3-2016**

   Rs. In lakhs

   **I. Equity and Liabilities**

   As at 31-3-2016   As at 31-3-2015

   1) Shareholders Funds
   a) Share Capital  1,500  1,000
   b) Reserves and Surplus  1,075  550

   2) Non-Current Liabilities
   a) Long-Term Borrowings  1,300  1,000

   3) Current Liabilities
   a) Trade Payables  1,000  850
   b) Interest Payable  100  75
   c) Income Tax Payable  150  100

   Total  5,125  3,575
II. Assets

1) Non-Current Assets
   a) Tangible Fixed Assets 2,000 1,500
   b) Non-Current Investments 400 250
   c) Long Term Loans and Advances 425 325

2) Current Assets
   a) Inventories 825 625
   b) Trade Receivables 1,100 825
   c) Cash and Cash Equivalents 375 50

Total 5,125 3,575

Profit and Loss Account for the Year ended 31-3-2016

Rs. In lakhs

Income:
Sales 5,500
Interest 75
Dividend 50
Total 5,625

Expenditure:
Cost of Sales 3,300
Administrative and Selling Expenses 1,060
Interest 200
Depreciation 240
Total 4,800

Net Profit before Taxation 825
Less: Tax Expense 300
Net Profit after Tax 525
Balance brought forward 550
Balance carried to Balance Sheet 1,075

Additional Information:
- Repayment of Term Loan amounted to Rs. 100 lakhs.
- Amount realized on disposal of old fixed assets Rs. 200 lakhs (Book Value Rs. 200 lakhs).
I Semester M.Com. (FA)/MFA Examination, January/February 2018
(CBCS)
Paper 1.1 : ACCOUNTING CONVENTIONS AND STANDARDS

Time : 3 Hours  Max. Marks : 70

SECTION – A

1. Answer any seven questions out of ten. Each question carries two marks.

(7x2=14)

a) Define ‘Accounting Standards’.

b) List any four areas where differing accounting policies are followed.

c) What are the circumstances under which changes in accounting policies are made?

d) Why does prior period item arise? Give two examples of prior period items.

e) What are the two permitted accounting treatments in respects of Government Grants related to depreciable fixed assets?

f) Define “Current Investments”.

g) What is the accounting treatment of Goodwill arising on Amalgamation?

h) Name the two types of Leases and specify who can claim depreciation on the leased assets, as per AS-19.

i) How is “Basic Earnings Per Share” calculated?

j) Define “Timing Difference” and give two examples.

SECTION – B

Answer any four questions out of six. Each question carries five marks.

(4x5=20)

2. What is an Exposure Draft? How does this help in the process of issuance of accounting standards?
3. How are Accounting Standards classified? Explain in one or two sentences, each type of Accounting Standards.

4. Explain in five points, the accounting standard relating to valuation of inventories.

5. What are the two methods used for recognition of revenue from rendering of services? Give any three services under special conditions and respective revenue recognition norms as given in the Accounting Standard.

6. Explain the accounting treatment of initial recognition of foreign currency transactions. Also explain the provisions relating to valuation of such items at the Balance Sheet date.

7. What are Government Grants? How are they accounted?

**SECTION – C**

Answer any three questions out of five. Each question carries twelve marks. (3×12=36)

8. Explain the benefits of Accounting Standards. Are there any difficulties faced by the standard setters, in general?


10. What are the conditions for an amalgamation to be considered in the nature of merger? Explain the accounting method to be followed in such cases, as prescribed under AS-14.

11. What are the standards set by AS-15 “Employee Benefits”?

12. Prepare Cash Flow Statement of Pixel Electronics Limited in accordance with AS-3 from the following summary cash account for the year ending 31st March 2017. You may use either direct method or indirect method.

**Pixel Electronics Limited**

**Balance Sheet as on 31-3-2017**

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>As at 31-3-2017</th>
<th>As at 31-3-2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Capital</td>
<td>11,000</td>
<td>6,600</td>
</tr>
<tr>
<td>Reserves and Surplus</td>
<td>4,400</td>
<td>3,960</td>
</tr>
</tbody>
</table>

Rs. In thousands
<table>
<thead>
<tr>
<th>Account</th>
<th>As at 31-3-2017</th>
<th>As at 31-3-2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term Loans</td>
<td>4,400</td>
<td>7,260</td>
</tr>
<tr>
<td>Sundry Creditors</td>
<td>7,260</td>
<td>6,160</td>
</tr>
<tr>
<td>Interest Payable</td>
<td>770</td>
<td>550</td>
</tr>
<tr>
<td>Income-tax Payable</td>
<td>1,100</td>
<td>770</td>
</tr>
<tr>
<td>Proposed Dividend</td>
<td>2,200</td>
<td>1,760</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>31,130</strong></td>
<td><strong>27,060</strong></td>
</tr>
</tbody>
</table>

**Assets**

<table>
<thead>
<tr>
<th>Account</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Fixed Assets</td>
<td>13,200</td>
<td>9,900</td>
</tr>
<tr>
<td>Long Term-Investments</td>
<td>4,180</td>
<td>3,960</td>
</tr>
<tr>
<td>Inventories</td>
<td>4,400</td>
<td>4,620</td>
</tr>
<tr>
<td>Sundry Debtors</td>
<td>8,140</td>
<td>8,030</td>
</tr>
<tr>
<td>Interest Receivable</td>
<td>550</td>
<td>330</td>
</tr>
<tr>
<td>Cash and Bank Balances</td>
<td>660</td>
<td>220</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>31,130</strong></td>
<td><strong>27,060</strong></td>
</tr>
</tbody>
</table>

**Profit and Loss Account For Year Ending 31-3-2017**

<table>
<thead>
<tr>
<th>Income</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>38,060</td>
</tr>
<tr>
<td>Interest (TDS Rs. 15)</td>
<td>550</td>
</tr>
<tr>
<td>Dividend</td>
<td>330</td>
</tr>
<tr>
<td><strong>Total (1)</strong></td>
<td><strong>38,940</strong></td>
</tr>
</tbody>
</table>
Expenditure

Cost of Sales 23,760
Administrative and Selling Expenses 7,700
Interest 1,320
Depreciation 1,760
Total (2) 34,540

Net Profit before Taxation (1) – (2) 4,400
Less: Current Tax Expenses 1,320
Net Profit after tax 3,080

During the year the Company paid a Dividend of Rs. 2,640 thousands.
I Semester M.Com. (F&A)/MFA Examination, January 2017
(CBCS)
Paper 1.1 : ACCOUNTING CONVENTIONS AND STANDARDS

Time : 3 Hours Max. Marks : 70

SECTION - A

1. Answer any seven sub-questions out of ten. Each question carries two marks. (7x2=14)
   a) What are the objectives of ASB?
   b) What is Net Realisable Value as per AS-2?
   c) What is meant by convention of ‘Conservatism’?
   d) How are events occurring after the Balance Sheet date treated as per AS-4?
   e) How depreciation is charged on additions which are integral part of the main asset as per AS-6?
   f) Name the three categories of transactions in order as per AS-3.
   g) How are deferred tax assets and liabilities treated as per AS-22?
   h) State any two advantages of IFRS.
   i) What accounting policies are prescribed for lessors in AS-19?
   j) Mention the two categories of Amalgamations as per AS-14.

SECTION - B

Answer any four questions out of six. Each question carries five marks. (4x5=20)

2. Classify the adjusting and non-adjusting entries as per AS-4 with suitable examples.

3. Explain he valuation of raw material as per AS-2.

4. Briefly state the objectives of converging from Indian GAAP to Ind-AS.

P.T.O.
5. Briefly explain the standards in respect of fixed assets as per AS-10.

6. What are the disclosures in financial statements recommended by AS-12 regarding Government Grants?

7. Explain the difference between direct and indirect methods of reporting cash flows from operating activities with reference to AS-3.

SECTION - C

Answer any three questions out of five. Each question carries twelve marks. (3x12=36)

8. Explain AS-7 constructions contracts.

9. Write short notes on the followings.
   a) IFRS
   b) AS-1
   c) Ind-AS
   d) Accounting for foreign currency as per AS-11.

10. Explain the provisions of AS 2 – Inventory valuation.

11. Explain the treatment of intangible assets as per AS-26.

12. The directors of Durex Tools Ltd. are very much worried at the deteriorating financial position of the concern has availed full overdraft facility from SBI of India and still it is not able to pay off its creditors on due dates notwithstanding satisfactory profits earned by it. The following are the Balance Sheets as at 31st December, 2014 and 2015.

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>2014 (Rs.)</th>
<th>2015 (Rs.)</th>
<th>Assets</th>
<th>2014 (Rs.)</th>
<th>2015 (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share capital in</td>
<td>1,00,000</td>
<td>1,00,000</td>
<td>Land and Buildings</td>
<td>30,000</td>
<td>50,000</td>
</tr>
<tr>
<td>shares of Rs.10 fully paid</td>
<td></td>
<td></td>
<td>Plant and Machinery (cost)</td>
<td>50,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Profit and Loss a/c</td>
<td>6,000</td>
<td>8,000</td>
<td>Vehicles (cost)</td>
<td>11,600</td>
<td>12,400</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>----------------------</td>
<td>-------</td>
<td>-------</td>
<td>----------------------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td>Bank overdraft</td>
<td>16,000</td>
<td>60,000</td>
<td>Stock</td>
<td>22,000</td>
<td>72,000</td>
</tr>
<tr>
<td>Creditors</td>
<td>20,000</td>
<td>60,000</td>
<td>Debtors</td>
<td>46,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Provisions for</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>12,000</td>
<td>18,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vehicles</td>
<td>5,600</td>
<td>8,400</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,59,600</td>
<td>2,54,400</td>
<td></td>
<td>1,59,600</td>
<td>2,54,400</td>
</tr>
</tbody>
</table>

During the year a dividend of 10% was paid to share holders. On 1st January, 2015 an asset which was originally purchased for Rs. 2,000 and showing a book value of Rs. 1,000 was sold for Rs. 1,600. You are required to prepare a statement of cash flow as per AS-3 which should indicate as what has happened to the money which has come into the business during the year 2015.
I Semester M.F.A. Degree Examination, January 2016
(Semester Scheme)
FINANCE AND ACCOUNTING
Paper – 1.1 : Accounting Conventions & Standards

Time : 3 Hours  Max. Marks : 80

Instruction : Answer all Sections.

SECTION – A

Answer any ten questions from the following in about 3–4 lines each. Each question carries 2 marks.

(10x2 = 20)

1. a) Define ‘Accounting Standards’.

b) Identify any four benefits of ‘Accounting Standards’.

c) List any four areas where more than one accounting treatment is possible.

d) What do you mean by “Deferred tax”?

e) What are the three heads under which cash movement is explained in a Cash Flow Statement?

f) What are ‘prior period items’?

g) What are employee benefits?

h) Explain the conditions for capitalization of borrowing costs.

i) What are the types of ‘Earnings Per Share’ that are required to be disclosed?

j) What kind of Accounting Policies’ would you adopt while presenting Interim Financial Report?

k) How do you calculate ‘Impairment Loss’?

l) Identify any two differences between Accounting Standards followed in India and the International Financial Reporting Standards (IFRS).

P.T.O.
SECTION – B

Answer any three questions from the following. Each question carries 5 marks.

(3x5 = 15)

2. Define ‘Contract Revenue’. What are the items covered under Contract Revenue as stated in AS 7: Construction Contracts.

3. What are foreign currency transactions and explain their accounting treatment as stated in AS 11: Effects of Changes in Foreign Exchange Rates?

4. Explain any two types of Government Grants and explain their accounting treatment as stated in AS 12: Government Grants.

5. What are the classifications of investments? Explain the standard prescribed in AS 13: Accounting for Investments with regard to ‘Reclassification of Investments’.

6. Explain ‘Related Party Transactions’ and give five examples for such transactions.

SECTION – C

Answer any two questions from the following. Each question carries 15 marks.

(2x15 = 30)

7. Explain the standards set for Valuation of Inventories under AS 2.

8. What are the conditions for recognizing revenue from sale of goods? When do you recognize revenue in respect of the following:
   a) Installation and inspection.
   b) Sale on Approval.
   c) Warranty Sales.
   d) Consignment Sales.
   e) Installments Sales.


11. Prepare a Cash Flow Statement from the following. You may use Direct Method or Indirect Method, but the statement must be in conformity with AS-3.

**AMD Limited**  
**Balance sheet as at 31-12-2012**

<table>
<thead>
<tr>
<th></th>
<th>Rs. in lakhs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2010</td>
</tr>
<tr>
<td></td>
<td>200</td>
</tr>
<tr>
<td>Cash on hand and balances with banks</td>
<td>200</td>
</tr>
<tr>
<td>Short-term investments</td>
<td>670</td>
</tr>
<tr>
<td>Sundry debtors</td>
<td>1,700</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>100</td>
</tr>
<tr>
<td>Inventories</td>
<td>900</td>
</tr>
<tr>
<td>Long-term investments</td>
<td>2,500</td>
</tr>
<tr>
<td>Fixed assets at cost</td>
<td>2,180</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(1,450)</td>
</tr>
<tr>
<td>Fixed Assets (net)</td>
<td>730</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>6,800</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Rs. in lakhs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
</tr>
<tr>
<td>Sundry creditors</td>
<td>1,890</td>
</tr>
<tr>
<td>Interest payable</td>
<td>230</td>
</tr>
<tr>
<td>Income taxes payable</td>
<td>400</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>1,110</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>1,890</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and shareholders’ funds</strong></td>
<td><strong>6,800</strong></td>
</tr>
</tbody>
</table>

**Shareholders’ Funds**

<table>
<thead>
<tr>
<th></th>
<th>Rs. in lakhs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share capital</td>
<td>1,500</td>
</tr>
<tr>
<td>Reserves</td>
<td>3,410</td>
</tr>
<tr>
<td><strong>Total shareholders’ funds</strong></td>
<td><strong>4,910</strong></td>
</tr>
</tbody>
</table>

Note: The balance sheet and cash flow statement should be prepared in accordance with AS-3 guidelines.
Statement of Profit and Loss for the period ended 31-12-2012

(Rs. in lakhs)

Sales 30,650
Cost of sales (26,000)
Gross profit 4,650
Depreciation (450)
Administrative and selling expenses (910)
Interest expense (400)
Interest income 300
Dividend income 200
Foreign exchange loss (40)

Net profit before taxation and extraordinary item 3,350

Extraordinary item: Insurance proceeds from earthquake disaster settlement 180

Net profit after extraordinary item 3,530

Income-tax (300)

Net profit 3,230

The following additional information is given: (figures are in Rs. lakhs)

a) An amount of 250 was raised from the issue of share capital and a further 250 was raised from long term borrowings.

b) Dividends paid were 1,200.

c) Tax deducted at source on dividends received (included in the tax expense of 300 for the year) amounted to 40.

d) During the period, the enterprise acquired fixed assets for 350. The payment was made in cash.

e) Plant with original cost of 80 and accumulated depreciation of 60 was sold for 20.

f) Foreign exchange loss of 40 represents the reduction in the carrying amount of a short-term investment in foreign-currency designated bonds arising out of a change in exchange rate between the date of acquisition of the investment and the Balance Sheet date.

g) Sundry debtors and sundry creditors include amounts relating to credit sales and credit purchases only.
SECTION - A

1. Answer any seven sub-questions out of ten. Each sub-question carries two marks.

   (7×2=14)

   a) How Accounting Standards are enforced in India?

   b) Do you support the view that Government Agencies should set the Accounting Standards?

   c) What is meant by "Accrual" assumption?

   d) List the "events occurring after the balance sheet date".

   e) Under what circumstances, can an enterprise change its Accounting Policies?

   f) Name the three categories of transactions that are covered under AS-11 "Effects of changes in foreign exchange rates".

   g) What is the accounting treatment for post-employment benefits which are in the nature of "Defined Contribution Plans"?

   h) Give four examples of Related Parties for a Company.

   i) How Timing Difference gives rise to Deferred Tax? Give two examples.

   j) State any two differences between Accounting Standards (in India) and International Accounting Standards (IAS/IFRS).

SECTION - B

Answer any four questions out of six. Each question carries five marks.

2. Based on AS-2 valuation of inventories answer the following:

   a) What is Net Realisable Value?

   b) Explain Cost Formula/Methods of determine cost of inventories.
3. What is construction contract? Name the two types of construction contracts. To whom AS-7: Construction Contracts is applicable?

4. List the standards in respect of fixed assets shown in the financial statement at historical cost.

5. What are the standards relating to Government Grants under AS 12?

6. What is a Finance Lease? Explain the principles of accounting for finance lease in the books of the lessor.


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**SECTION - C**

Answer **any three** questions out of five. Each question carries **twelve marks**. \(3 \times 12 = 36\)

8. Explain the provisions of AS 6 - Depreciation Accounting.

9. When do you recognise revenue in respect of the following:
   a) Guaranteed sales
   b) Warranty sales
   c) Consignment sales
   d) Installation fee
   e) Admission fee
   f) Interest.

10. What are the standards relating to investments set out of Accounting for Investments – AS 13?

11. What are the conditions to be satisfied for an amalgamation to be considered as Merger? Explain the method of accounting for such amalgamations.
12. Prepare Cash Flow Statement of Aspire Limited in accordance with AS-3 using the direct method from the following summary cash account for the year ending 31st March 2015:

BALANCE SHEET AS ON 31-3-2015

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>As at 31-3-2015</th>
<th>As at 31-3-2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share capital</td>
<td>5,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Reserves and surplus</td>
<td>2,000</td>
<td>1,800</td>
</tr>
<tr>
<td>Long-term loans</td>
<td>2,000</td>
<td>3,300</td>
</tr>
<tr>
<td>Sundry creditors</td>
<td>3,300</td>
<td>2,800</td>
</tr>
<tr>
<td>Interest payable</td>
<td>350</td>
<td>250</td>
</tr>
<tr>
<td>Income-tax payable</td>
<td>500</td>
<td>350</td>
</tr>
<tr>
<td>Proposed Dividend</td>
<td>1,000</td>
<td>800</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14,150</strong></td>
<td><strong>12,300</strong></td>
</tr>
</tbody>
</table>

**Assets**

<table>
<thead>
<tr>
<th>As at 31-3-2015</th>
<th>As at 31-3-2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net fixed assets</td>
<td>6,000</td>
</tr>
<tr>
<td>Long term – investments</td>
<td>1,900</td>
</tr>
<tr>
<td>Inventories</td>
<td>2,000</td>
</tr>
<tr>
<td>Sundry debtors</td>
<td>3,700</td>
</tr>
<tr>
<td>Interest Receivable</td>
<td>250</td>
</tr>
<tr>
<td>Cash and bank balances</td>
<td>300</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14,150</strong></td>
</tr>
</tbody>
</table>

Profit and Loss Account for year Ending 31-3-2015

<table>
<thead>
<tr>
<th>Income</th>
<th>As at 31-3-2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>17,300</td>
</tr>
<tr>
<td>Interest</td>
<td>250</td>
</tr>
<tr>
<td>Dividend</td>
<td>150</td>
</tr>
<tr>
<td><strong>Total – (1)</strong></td>
<td><strong>17,700</strong></td>
</tr>
</tbody>
</table>
Cost of sales

Administrative and selling expenses

Provision for income tax

Net Profit before taxation

Less: Provision for income tax

Net Profit after tax

Administrative and selling expenses

Total

Depreciation

Interest

Net Profit before taxation

Less: Provision for income tax

Net Profit after tax

As at 31st March 2015

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount (in?)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of sales</td>
<td>15,700</td>
</tr>
<tr>
<td>Administrative and selling expenses</td>
<td>800</td>
</tr>
<tr>
<td>Provision for income tax</td>
<td>600</td>
</tr>
<tr>
<td>Total</td>
<td>20,000</td>
</tr>
<tr>
<td>Depreciation</td>
<td>3,500</td>
</tr>
<tr>
<td>Interest</td>
<td>800</td>
</tr>
<tr>
<td>Net Profit before taxation</td>
<td>1200</td>
</tr>
<tr>
<td>Less: Provision for income tax</td>
<td>800</td>
</tr>
<tr>
<td>Net Profit after tax</td>
<td>1,400</td>
</tr>
</tbody>
</table>