

**ANURAG Engineering College**

(An Autonomous Institution)

I MBA I Semester Regular/Supplementary Examinations, February – 2025

**FINANCIAL REPORTING AND ANALYSIS  
(MASTER OF BUSINESS ADMINISTRATION)****Time: 3 Hours****Max. Marks: 60****Section – A (Short Answer type questions)****(10 X 1 = 10M)****Answer All Questions. Each Question Carries 1 Mark.****Course B.T.  
Outcome Level**

1.	Define the term Accounting?	CO1	L1
2.	What is Accounting Cycle?	CO1	L1
3.	Define the term Journal?	CO2	L1
4.	What are Revenue Expenses?	CO2	L1
5.	Give examples of Tangible Assets?	CO3	L2
6.	What is Depreciation?	CO3	L2
7.	What is vertical Analysis of a company?	CO4	L1
8.	Write about Paid cost?	CO4	L1
9.	What is a Ratio?	CO5	L1
10.	What are the benefits of Liquidity ratios?	CO5	L2

**Section B (Essay Questions)****Answer all questions, each question carries 10 marks.****(5 X 10M = 50M)**

11.A)	Explain briefly about the Generally Accepted Accounting Principles (GAAP)	CO1	L3
<b>OR</b>			
B)	Explain the Significance of Double Entry Bookkeeping??	CO1	L3
12.A)	Journalise the following transactions & prepare necessary ledgers. 1 <sup>st</sup> June : Commenced business with a capital of 5,00,000 11 <sup>th</sup> June : Purchased goods from Venkat for 200,000 12 <sup>th</sup> June : Purchased Goods for Cash 135,000 15 <sup>th</sup> June : Purchased Goods from Akbar for cash 75,000 16 <sup>th</sup> June : Bought Goods from Sri Hari on credit for 130,000 18 <sup>th</sup> June : Sold goods worth 95,000 to Ravi 25 <sup>th</sup> June : Sold goods for cash 1,10,000 28 <sup>th</sup> June : Sold goods to Siva for cash 55,000 30 <sup>th</sup> June : Sold goods to Purna on credit 65,000	CO2	L3

**OR**

B) From the following particulars taken out from the books of Subbaiah & Co. You are required to prepare Trading and Profit & Loss Account and Balance Sheet by Considering the following Adjustments.

- i) Closing stock Rs, 32,000.
- ii) Provision for doubtful debts at 5% of sundry debtors.
- iii) Depreciation furniture and machinery by 10%.
- iv) Prepaid Insurance is Rs.2000

CO2

L3

Sundry debtors -65000  
Account payable - 20000  
Cash in hand -5431  
Furniture-4200  
Motor car - 23500  
Purchases- 165000  
Sales - 342000  
Sales return -2900  
Salary - 8450  
Opening stock - 12500  
Motor car expenses - 5600  
Equipment-2650  
Insurance premium paid on 1/1/22- Rs.  
3500  
Cash at bank-8500  
Machinery 36000  
Wages- 27800  
General expenses-3540  
Carriage inward-2290  
Carriage outward-1850  
Transportation-7580  
Owner equity-35000  
Drawings - 20000

13.A) Explain the methods of valuation of Goodwill in detail? CO3 L3

OR

B) Mohith, Ramesh and Shiva have been doing Partnership business and goodwill of their firm is valued at three years purchase of the average profit for the last five years. The profit and losses for the last five years have been. 1st Year Rs.17500, 2nd Year Rs.14200, 3rd Year Rs.18000, 4th Year Rs.7000(loss), 5th Year Rs.9000. CO3 L3

14.A) Discuss the distinction between funds flow and Cash flow statements? CO4 L3

OR

B) The following is the Balance sheet of Bhargav Ltd. as on 31-3-2022 & 2023. You are asked to analyse the financial position of the company with the help of common size Statement? CO4 L3

<b>Liabilities</b>	<b>2022</b>	<b>2023</b>
Share Capital	1500000	1800000
Reserves & surplus	530000	480000
Debentures	800000	950000
Long term loans	350000	420000
Bills Payable	350000	385000
Sundry creditors	500000	620000
Other current assets	225000	250000
<b>Total</b>	<b>4255000</b>	<b>4905000</b>
<b>Assets</b>	<b>2022</b>	<b>2023</b>
land and buildings	890000	940000
plant and Machinery	950000	1000000
Furniture	340000	525000
other fixed assets	224000	230000
cash at Bank	325000	380000
Bills Receivables	550000	680000
Sundry debtors	500000	650000
stock	426000	500000
<b>Total</b>	<b>4205000</b>	<b>4905000</b>

15.A) - What is Ratio Analysis? Explain Liquidity and Profitability Ratios with formulas? CO5 L3

OR

B) Discuss the importance & List out any 10 Indian accounting Standards issued by ICAI. CO5 L3

