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**Roll No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**MBA - 1649**

**M.B.A. (I Semester) Examination, Dec- 2018**

**BUSINESS ADMINISTRATION**

**Financial Reporting, Statements & Analysis**

[*Time Allowed: Three Hours Maximum Marks: 70*]

**Note: -** Answer **all** questions.

**Q.1.** Attempt any six of the following. **5\*6=30**

1. What do you understand by Financial Accounting? Explain.
2. Explain “Going Concern” concept.
3. Highlight the importance of accounting in an organization.
4. “Financial reporting discloses an organization's financial status”. Examine the statement.
5. Define balance sheet. Give a specimen of a balance sheet in support of your answer.
6. What do you understand by Ratio?
7. Explain each one of the following:

Asset, Liability, Income, Expense.

1. Journalize the following transaction:
2. Interest paid Rs.10.
3. Interest received Rs.100.
4. Goods sold to JK Ltd worth Rs. 500.
5. Goods returned from JK Ltd worth Rs.100.
6. Rs. 350 received from JK Ltd in full settlement.

**Q.2.** Prepare final account with the help of following Trial Balance: **10**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **Amount(Dr)** | **Amount(Cr)** |
| Opening stockSalesDepreciationCommissionInsuranceCarriage inwardsFurniturePrinting chargesCarriage outwardsCapitalCreditorsBills payablePlant & machineryReturns outwardsCash in handSalariesDebtorsDiscount(Dr.)Bills receivableWagesReturns inwardsBank overdraftPurchasesBad debts | 1,2506673803006704812006,2309427501,9053282,7301,5891,6598,679180 | 11,8002119,2281,7805411,3804,000 |
|  | **28940** | **28940** |

**Adjustment:** The value of closing stock is Rs. 3700.

**OR**

What is trading account? Give its basic format with some items.

**Q.3.** “Company is an artificial person created by law having separated entity with a perpetual succession and common seal”. Elaborate. **10**

**OR**

ABC Ltd. invited applications for 100 shares of Rs. 200 each at par, payable as follows:

On application Rs. 80, on allotment Rs. 60, on 1st and final call Rs. 60.

The applications were received for 100 shares and all of these were accepted. All money due were received. Pass the entries in the cash book and journal of the company. Also show how these transactions will be reflected in the company`s balance sheet.

**Q.4.** Management accounting is a mid-way between financial accounting and cost accounting. Discuss. **10**

**OR**

 Fixed cost 20000

Selling price per unit 100

Variable cost per unit 60

Sales 60000

Calculate contribution, BEP in units & in Rupees and Margin of Safety.

**Q.5.** What do you understand by budgetary control? What are its advantages? **10**

**OR**

Calculate current and quick ratios from the following data:

Cash 200000

Debtors 200000

Inventory 1200000

Current liabilities 800000