



BRAINWARE UNIVERSITY

Term End Examination 2024-2025

Programme – MBA-2024

Course Name – Financial Reporting and Analysis

Course Code - MBA10104

(Semester I)

Library
Brainware University
398, Ramkrishnapur Road, Barasat
Kolkata, West Bengal-700125

Full Marks : 60

Time : 2:30 Hours

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group-A

(Multiple Choice Type Question)

1 x 15=15

1. Choose the correct alternative from the following :

- (i) Define the term 'Posting'.
 - a) Recording financial transactions in the journal
 - b) Summarizing all transactions in the trial balance
 - c) Transferring journal entries to ledger accounts
 - d) None of these
- (ii) Choose the correct statement from the followings.
 - a) Assets- Capital > Liabilities
 - b) Liabilities + Capital = Assets
 - c) Liabilities + Capital < Assets
 - d) Assets- Liabilities > Capital
- (iii) Select which accounting concept specifies the practice of crediting closing stock to the trading account.
 - a) Cost
 - b) Realization
 - c) Going concern
 - d) Matching
- (iv) Select the account in which the amount receivable due to credit sale of goods or services are considered.
 - a) Notes Receivable
 - b) Accounts Receivable
 - c) Amount Receivable
 - d) Discount Receivable
- (v) Choose which one of the following is true -
 - a) The term fixed asset cannot be applied to items which can be moved
 - b) Fixed assets tend to change constantly in amount and composition
 - c) Fixed assets are bought with the intention of resale
 - d) Fixed assets are normally used in the business on a long-term basis
- (vi) Select which of the following is the most common cause of bad debt.
 - a) Debtor refusal to repayment
 - b) Debtor committed a crime
 - c) Debtor left the country
 - d) Debtor declared bankrupt
- (vii) Current assets - current liabilities = _____. Select the correct answer.

- a) Fixed capital
c) Opening capital
(viii) Identify which of the following is an example of business liability.
a) Creditors
c) Building
(ix) Identify the account which would usually have a debit balance.
a) Account Payable
c) Owner Equity
(x) Patents, Copyrights and Trademarks are related with.
a) Current assets
c) Intangible assets
(xi) Choose which accounting concept specifies the practice of crediting closing stock to the trading account.
a) Cost
c) Going concern
(xii) Which of the following is not a Real A/c (Choose the odd one).
a) Building
c) Machine
(xiii) Choose which of the following is correct in regards to Opening Stock.
a) Debited in trading account
c) Credited in profit and loss account
(xiv) Identify the correct answer to fill the blanks : Human resources will not appear in the balance sheet according to _____ concept.
a) Accrual
c) Money measurement concept
(xv) Choose which one is not an asset.
a) Goodwill
c) Outstanding Salary
b) Working capital
d) Closing capital
b) Cash
d) Land
b) Cash
d) Bank Loan
b) Fixed assets
d) All of these
b) Realization
d) Matching
b) Furniture
d) Rent
b) Credited in trading account
d) Debited in profit and loss account
b) Going concern
d) None of these
b) Furniture
d) Closing Stock

Group-B

(Short Answer Type Questions)

3 x 5=15

2. Define Real Accounts and state the rule of Debit and Credit of Real Account. (3)
3. Define Journal and narration. (3)
4. Calculate the annual depreciation expense for the following asset using the straight-line depreciation method: Cost of Asset: ₹10,00,000 Salvage Value: ₹1,00,000 Useful Life: 5 years. (3)
5. Mohan opens a new business with Rs 50 lacs as capital. He buys furniture worth Rs 5 lakh paying in cash. Illustrate the journal of the given transactions. (3)
6. Opening Stock Rs. 50,000; Purchase Rs. 250,000; Gross Profit Rs. 130,000; Sales Rs. 350,000. Calculate Closing Stock. (3)

OR

- X opens a new business with Rs 1,00,000 cash, land Rs 15,000, building Rs 50,000, Plant and Machinery Rs 25,000, Furniture of Rs 10,000. Illustrate the journal of the given transaction. (3)

Group-C

(Long Answer Type Questions)

5 x 6=30

7. Describe Business Entity concept and Going Concern concept. (5)
8. Explain the reason for charging depreciation on assets. (5)

9. From the following information, evaluate the Balance Sheet of a trader as at 31st March, 2022. (5)

	Rs.		Rs.
Goodwill	20,000	Bank	20,000
Capital	1,80,000	Sundry Creditors	63,000
Liabilities for Expenses	1,200	Bills Receivable	13,000
Cash in Hand	1,000	Plant and Machinery	40,000
Investment	20,000	Provision for Doubtful Debts	2,500
Bills Payable	10,700	Closing Stock	80,000
Net Profit	92,600	Furniture	16,000
Sundry Debtors	50,000	Drawing	30,000
Land and Building	60,000		

Library
Brainware University
898, Ramkrishnapur Road, Barasat
Kolkata, West Bengal-700125

10. Differentiate between Reserve and Provision. (5)
 11. Explain any 5 Concepts or Conventions of Accounting. (5)
 12. Estimate the amount of net profit/net loss from the following information: Gross Profit- Rs.100000, Telephone expenses- Rs.5000, salaries- Rs.3000, depreciation- Rs.10000, postage & stationery- Rs.11000, discount allowed -Rs.10000, discount received- Rs.15000, bad debts-Rs.3000, rent received-Rs.16000, traveling expenses-Rs.10000. (5)

OR

From the following information, evaluate Profit and Loss Account for the year ended 31st March, 2022: (5)

	Rs.
Gross Profit	1,20,000
Rent	5,000
Salary	35,000
Commission Paid	19,000
Interest on Loan	5,000
Advertisement	8,000
Interest Received	8,000
Discount Received	6,000
Printing and Stationery	4,000
Legal Charges	10,000
Bad Debts	2,000
Electricity Charges	6,000
Depreciation	4,000
