



## BRAINWARE UNIVERSITY

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Kolkata, West Bengal-700125

**Term End Examination 2022**  
**Programme – MBA-2018/MBA-2020/MBA-2021/MBA-2022**  
**Course Name – Financial Reporting, Statements and Analysis**  
**Course Code - MBAD010403/MBA104**  
**( Semester I )**

**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) In journal, the business transaction is recorded -  
 a) Same day  
 b) Next day  
 c) Once in a week  
 d) Once in a month
- (ii) Which of the following defines outstanding salary account?  
 a) natural personal account  
 b) artificial personal account  
 c) representative personal account  
 d) real account
- (iii) Current assets - current liabilities =  
 a) fixed capital  
 b) working capital  
 c) opening capital  
 d) closing capital
- (iv) Select the correct answer to fill the blank: The proprietor of the business is treated as creditor for the capital introduced by him due to \_\_\_\_\_ concept  
 a) Money measurement  
 b) Cost  
 c) Entity  
 d) Dual aspect
- (v) Select the correct answer to fill the blanks : The policy of anticipate no profit and provide for all possible losses arise due to the concept of \_\_\_\_\_  
 a) Consistency  
 b) Disclosure  
 c) Conservatism  
 d) Matching
- (vi) A part of the profit distributed to the shareholders is known as \_\_\_\_\_  
 a) Reserve & Surplus  
 b) Retained Earnings  
 c) Dividend  
 d) None of the above
- (vii) Which of the following accounts normally has credit balance?  
 a) Wages Outstanding  
 b) Motor vehicles  
 c) Prepaid Rent  
 d) Return Inwards
- (viii) Patents, Copyrights and Trademarks are are relate with

- a) Current assets  
c) Intangible assets
- b) Fixed assets  
d) All of the above
- (ix) Choose which accounting concept specifies the practice of crediting closing stock to the trading account
- a) Cost  
c) Going concern
- b) Realization  
d) Matching
- (x) Select the correct Statement -
- a) Assets + Liabilities = Capital  
c) Capital + Assets = Liabilities
- b) Liabilities + Capital = Assets  
d) Liabilities - Capital = Asset
- (xi) Select the correct answer to fill the blank: Amount spent to increasing the earning capacity is a \_\_\_\_\_ expenditure
- a) Capital  
c) Deferred revenue
- b) Revenue  
d) Capital Loss
- (xii) Summary of balances of ledger account is called.....
- a) trial balance  
c) cash flow statement
- b) balance sheet  
d) none of these
- (xiii) Select the correct statement
- a) Profit reduces capital  
c) Profit Increases Capital
- b) Capital Can only come from Profit  
d) Profit does not alter capital
- (xiv) The unsold merchandise of business on particular day is express as
- a) Purchase Return  
c) Bad Debts
- b) Stock / Inventory  
d) Sales Return
- (xv) X commenced business on 1st April, 2013 with a capital of Rs. 6,00,000. On 31st March, 2014 his assets were worth Rs. 8,00,000 and liabilities Rs. 50,000. Find out his closing capital.
- a) Rs. 7,50,000  
c) Rs. 5,50,000
- b) Rs. 2,00,000  
d) None of these

### Group-B

(Short Answer Type Questions)

3 x 5=15

2. Differentiate between Creditor and Debtor with examples. (3)
3. Explain the concept of Suspense Account in trial balance. (3)
4. Explain the concept of Bad Debt and Provision for bad debt. (3)
5. Consider the following information: Opening Stock - Rs. 10,000 Purchases - Rs. 90,000 Closing stock - Rs. 28,000 Gross Profit - Rs. 10% of sale Solve the amount of sales. (3)
6. Write the concept of Accounting Equation with examples. (3)

OR

Opening balance of profit and loss Account was 7,500, dividend paid 1,500, closing balance of Profit and Loss Account was 5,000. Solve the Net income/Net loss was \_\_\_\_\_. (3)

### Group-C

(Long Answer Type Questions)

5 x 6=30

7. Explain the different techniques of Financial Statement Analysis. (5)
8. Differentiate between Cash discount and Trade discount with examples. (5)
9. Differentiate between Provisions and Reserves. (5)
10. Describe the characteristics of Accounting Information. (5)
11. Discuss the necessity of preparing Trial Balance and give some example of Errors that can not be detected in Trial Balance. (5)
12. Prepare a Trial Balance from the following: Particulars Amount in Capital 2,70,000/- Interest (5)



allowed 11,880/- Drawing 27,000/- Octroi duty 21,600/- Sales return 16,200/- Purchase return 5,400/- Commission received 2,700/- Discount allowed 1,620/- Loan 43,200/- Repair & maintenance 59,400/- Sales 7,02,000/- Purchase 4,32,000/- Cash 54,000/- Bank overdraft 27,000/- Creditors 32,400/- Debtors 54,000/- Furniture 27,000/- Building 2,16,000/- Machinery 1,62,000/

**OR**

Select and describe 5 Concepts and Conventions of Accounting.

(5)

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