

M.B.A.-I (Sem.-I) Examination
Financial Accounting
May-2017

[Max. Marks :100]

Time : 3 Hours]

- Q-1 What is Financial Accounting? Explain Concepts and Convention of Financial Accounting with suitable example. 20
- Q-2 (A) What is revenue recognition? What are the methods for revenue recognition explain with practical example. 10
- Q-2 (B) Write Journal entries for the following Transaction for ABC Brothers 10
- 1) Mr. A Started his business with capital of Rs. 100000
 - 2) Purchase Goods from Mr X of Rs 20000 out of this he has paid 50% on the spot.
 - 3) Sales Goods to Mr. Y for Rs. 35000.
 - 4) Purchase Furniture of Rs. 20000 from Mr. Z and Purchase Machinery from Mr Z on Cash basis Rs.10000
 - 5) Received Cash from Mr. Y

Or

- Q-2 Prepare final Account for the Mizal corporation at the end of the financial year 31 March 2017 from the following Trial Balance. 20

| Dr | | Trial Balance | | Cr. |
|--------------------|----------|---------------|----------|-----|
| Particular | Amount | Particular | Amount | |
| Machinery | 200000 | Capital | 400000 | |
| Furniture | 50000 | 8% SBI Loan | 50000 | |
| Investment | 200000 | Creditor | 20000 | |
| Debtors | 50000 | Sales | 200000 | |
| Purchase | 50000 | | | |
| Bad Debts | 5000 | | | |
| Office Expenses | 15000 | | | |
| Manufacturing Exp. | 5000 | | | |
| Preliminary Exp. | 5000 | | | |
| Cash and Bank | 90000 | | | |
| Total | 6,70,000 | Total | 6,70,000 | |

Additional Information:

1. Closing Stock of the company is Rs.20000
2. Depreciation on Machinery is charged at 10%
3. Rs. 2000 is bad debts from debtors

- Q-3(A) Valuation of Inventory is a critical part of an organization , Explain it with example of the various Methods for it. 10
- Q-3(B) XYZ has purchased Machinery of Rs 1000000, Expected useful life of the machinery is 10 10

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years calculate the depreciation on Straight line Method and prepare the depreciation account and Machinery account for the first year if scrap value at the end of the expected useful life of machinery is Rs.50000

Or

Q-3 What is Amalgamation? What are the conditions for it in law? write down the journal entries for the hypothetical example 20

Q-4 What is Cash flow analysis? Write down the format for the Cash Flow Statement and write down uses of Cash flow Statement 20

Or

Q-4 What is the use of ratio? And explain the Liquidity ration in Detail and describe the importance of ratio Analysis 20

Q-5 Write Down Short Note 20

1)EPS

2)EVA

3)Corporate Governance

4)Intangible Assets
