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NOIDA INSTITUTE OF ENGINEERING AND TECHNOLOGY, GREATER NOIDA

(An Autonomous Institute Affiliated to AKTU, Lucknow)

MBA

SEM: I - THEORY EXAMINATION (2023-2024)

Subject: Financial Accounting

Time: 3 Hours

Max. Marks: 100

General Instructions:

IMP: Verify that you have received the question paper with the correct course, code, branch etc.

1. This Question paper comprises of three Sections -A, B, & C. It consists of Multiple Choice Questions (MCQ's) & Subjective type questions.

2. Maximum marks for each question are indicated on right -hand side of each question.

3. Illustrate your answers with neat sketches wherever necessary.

4. Assume suitable data if necessary.

5. Preferably, write the answers in sequential order.

6. No sheet should be left blank. Any written material after a blank sheet will not be evaluated/checked.

SECTION-A

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1. Attempt all parts:-

1-a. The owner of the business is treated as a creditor of the business according to which of the following concept- (CO1) 1

- (a) Entity concept
- (b) Materiality concept
- (c) Consistency concept
- (d) Periodicity concept

1-b. The left hand side of the ledger account is referred to as:(CO1) 1

- (a) Footing
- (b) Credit side
- (c) Debit side
- (d) Balance

1-c. Profit distributed to shareholders is called____.CO2 1

- (a) Dividend
- (b) Interest
- (c) Bonus
- (d) All of above

1-d. Goodwill is____.CO2 1

- (a) Fixed Assets
- (b) Current Assets

- (c) Intangible assets
- (d) All of above
- 1-e.provide a snapshot of a company's financial position at a specific point in time.(CO3) 1
- (a) Income Statement
- (b) Cash Flow Statement
- (c) Balance Sheet
- (d) Statement of Changes in Equity
- 1-f.is a non-current liability in the Balance Sheet.CO3 1
- (a) Accounts Payable
- (b) Accrued Expenses
- (c) Long-Term Loan
- (d) Salaries Payable
- 1-g. Aquisition of asset is ___ activity.(CO4) 1
- (a) Financing Activities
- (b) Investing
- (c) Operating
- (d) All of the above
- 1-h. Financial trends are trend ratios based on.....CO4 1
- (a) Profit and Loss account information
- (b) Both (a) and (b)
- (c) Balance sheet information
- (d) None of the above
- 1-i. "Cash flow" means :CO5 1
- (a) Inflow of cash
- (b) Inflow and out flow of cash
- (c) Out flow of cash
- (d) None of the above
- 1-j. _____ indicates comparisons within same firm.(CO5) 1
- (a) Inter Firm
- (b) Intra Firms
- (c) Different Firms
- (d) Holding Firm

2. Attempt all parts:-

- 2.a. Define the term "Accounting".(CO1) 2
- 2.b. Define Indian accounting standard.(CO2) 2
- 2.c. Discuss balance sheet.(CO3) 2
- 2.d. Define trend analysis.(CO4) 2

2.e. Discuss investing activities of cash flow statement.(CO5) 2

SECTION-B 30

3. Answer any five of the following:-

3-a. Explain the meaning and significance of principles of accounting.(CO1) 6

3-b. Prove that accounting equation is satisfied in all the following transaction of Mr. George.CO1 6

(i) Started business with cash Rs.40,000.

(ii) Purchased goods for cash Rs. 20,000 and on credit Rs. 15,000.

(iii) Sold goods for cash Rs. 20,000(cost Rs. 12,500).

(iv) Paid salary Rs. 1,000 & unpaid salary Rs. 500.

(v) Purchased scooter for cash for personal use Rs. 10,000.

(vi) Paid wages Rs. 1,000.

3-c. Explain the rules of passing journal entries with suitable examples.(CO2) 6

3-d. Prepare a Trial Balance from the following information:(CO2) 6

Stock - 70000

Debtors -300000

Bank Loan -150000

Purchases -200000

Capital - 200000

Cash -180000

Creditors -100000

Sales -300000

3.e. Prepare the format of final accounts.(CO3) 6

3.f. Explain the procedure of preparing common size income statement.(CO4) 6

3.g. Explain the importance of cash flow statement for a firm.(CO5) 6

SECTION-C 50

4. Answer any one of the following:-

4-a. Write a long note the importance of human resource accounting and management accounting.CO1 10

4-b. Differentiate between AS and Ind AS. List any five Ind AS. (CO1) 10

5. Answer any one of the following:-

5-a. Explain the followings in detail:(CO2) 10

1. Accounting concepts and

2. Accounting conventions

5-b. Journalise the following transactions into the books of Mr. Mohan.(CO2) 10

1 Commenced business with cash 80,000

2 Deposited cash with bank 40,000

3 Purchased goods by paying cash 5,000

4 Purchased goods from Lipton & Co. on credit 10,000

5 Sold goods to Joy and received cash 11,000

6 Paid salaries by cash 5,000

7 Paid Lipton & Co. by cheque for the purchases made on 4th Jan.

8 Bought furniture by cash 4,000

9 Paid electricity charges by cash 1,000

10 Bank paid insurance premium on furniture as per standing instructions 300

6. Answer any one of the following:-

- | | | |
|------|---|----|
| 6-a. | Explain the format of the final accounts in detail..CO3 | 10 |
| 6-b. | Following is the Trial Balance of Rajesh Ltd., Gurgaon as on 31.12.2023.(CO3) | 10 |

COP . JULY 2024

Particulars	Debit (Rs)	Credit(Rs)
Share capital (8000 shares of Rs. 10/- each)		80000
Stock on 1.1.2009	51000	—
Purchases and sales	220000	330000
Returns	3800	—
General Expenses	1800	—
Wages	12000	—
Salaries	18700	—
Travelling Expenses	3200	—
Advertisement	1550	—
Rent and Taxes	4900	—
Discount Received	—	2200
Bank Interest	850	—
Bad Debts	2500	—
Buildings	95000	—
Plant and machinery	98000	—
Sundry Debtors and Creditors	45000	55500
Loan	—	25000
Cash	1400	—
Reserve Fund	—	23000
Preliminary Expenses	11000	—
Profit and Loss Account (Cr.)	—	55000
	570700	570700

Adjustments:

1. Transfer Rs. 10000 to Reserve Fund.
2. Provide depreciation on building at 5%.
3. Stock on 31.12.2009 was valued at Rs. 12000.
4. Dividend at 15% on share capital is to be provided.
5. Depreciation on Plant and Machinery at 10%.

Prepare Trading, Profit and Loss Account, Profit and Loss Appropriation Account and Balance Sheet in the prescribed form.

7. Answer any one of the following:-

- 7-a. Explain the following as a tools of financial analysis:CO4 10
 (i) Trend analysis
 (ii) Ratio analysis
- 7-b. Calculate trend percentages from the following figures of ABC Ltd., taking 2000 as base and interpret them.(CO4) 10

Year	Sales	Stock	Profit before tax
2000	1,500	700	300
2001	2,140	780	450
2002	2,365	820	480
2003	3,020	930	530
2004	3,500	1160	660
2005	4000	1200	700

8. Answer any one of the following:-

8-a. Prepare a cash flow statement of the company for the period ended 30th June, 2022 in accordance with AS-3.CO5

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Particular	Rs.	Particular	Rs.
Balances as on 1.7.2021	35,000	Payments to suppliers	20,47,000
Receipts form customers	27,83,000	Payments for fixed assets	2,30,000
Issue of shares	3,00,000	Payments for overheads	1,15,000
Sale of fixed assets	1,28,000	Salaries	69,000
		Income Tax	2,43,000
		Dividend paid	80,000
		Repayment of bank loan	2,50,000
	<u>32,46,000</u>		<u>32,46,000</u>
Balances as on 30.6.2022	2,12,000		

8-b. Explain the differences between fund flow statement and cash flow statement.(CO5)

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