



R22 Regulation

Subject code: D141PC3

TKR COLLEGE OF ENGINEERING AND TECHNOLOGY
(Autonomous, Accredited by NAAC with 'A+' Grade)

MBA I Semester Supplementary Examinations, March 2026
FINANCIAL REPORTING ANALYSIS

Maximum Marks: 60

Date: 06.03.2026

Duration: 3 hours

- Note:
1. This question paper contains two parts A and B.
 2. Part A is compulsory which carries 10 marks. Answer all questions in Part A.
 3. Part B consists of 5 Units. Answer any one full question from each unit.
 4. Each question carries 10 marks and may have a, b, c, d as sub questions.

Part-A

All the following questions carry equal marks

(10X1M=10 Marks)

		Marks	CO	BTL
1.a)	Write the significance of accounting.	1M	1	1
b)	List out the objectives of accounting.	1M	1	1
c)	Classify the capital.	1M	2	1
d)	List out the benefits of preparing final accounts.	1M	2	1
e)	Define goodwill.	1M	3	1
f)	State the factors affecting goodwill.	1M	3	1
g)	Define horizontal analysis.	1M	4	1
h)	Name the advantages of cash flow statement.	1M	4	1
i)	Define profitability ratios.	1M	5	1
j)	Define ratio analysis.	1M	5	1

Part-B

Answer All the following questions.

(5X10M=50Marks)

		Marks	CO	BTL																				
2	Explain the classification of Accounts and its rules. Enumerate with appropriate illustrations.	10M	1	2																				
OR																								
3	a) Define Accounting. Explain the Accounting Principles in detail. b) Define Accounting Cycle. Explain its features.	5M 5M	1	2																				
4	Differentiate capital expenditure and revenue expenditure.	10M	2	2																				
OR																								
5	From the following Trial Balance of Mr Sukumar, prepare final accounts for the year ending 31 st March 2015.	10M	2	2																				
<table border="1" style="width: 100%;"> <thead> <tr> <th>particulars</th> <th>Debit</th> <th>particulars</th> <th>Credit</th> </tr> </thead> <tbody> <tr> <td>Plant and Machinery</td> <td>1,00,000</td> <td>Sales</td> <td>3,50,000</td> </tr> <tr> <td>Goodwill</td> <td>50,000</td> <td>Return Outwards</td> <td>12,000</td> </tr> <tr> <td>Patents</td> <td>25,000</td> <td>Discount</td> <td>8,000</td> </tr> <tr> <td>Purchases</td> <td>2,50,000</td> <td>Commission</td> <td>12,000</td> </tr> </tbody> </table>		particulars	Debit	particulars	Credit	Plant and Machinery	1,00,000	Sales	3,50,000	Goodwill	50,000	Return Outwards	12,000	Patents	25,000	Discount	8,000	Purchases	2,50,000	Commission	12,000			
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	Return Inwards	5,000	Sundry Creditors	20,000			
	Discount	4,000	Bank Overdraft	30,000			
	Wages	15,000	Capital	1,00,000			
	Insurance	8,000	Bills Payable	20,000			
	Sundry Debtors	25,000					
	Bad Debts	3,000					
	Carriage Inwards	3,000					
	Carriage Outwards	2,000					
	Furniture	30,000					
	Salaries	26,000					
	Audit Fees	6,000					
		5,52,000		5,52,000			
	Adjustments:						
	a. Closing Stock as on 31-03-2015 was 90,000						
	b. Depreciation on Plant and Machinery 10%						
	c. Depreciation on furniture 3,000						
	d. Make a provision of 5% on Sundry Debtors for Doubtful debts.						
6	Define Inventory. State its objectives and Elements in detail.				10M	3	2
	OR						
7	A Second hand Machinery was purchased on 1 st January 2015 for Rs. 60,000 and Rs.5,000 was spent on erection. On 1 st July 2015 another machinery was purchased for Rs.35,000. On 1 st July 2015, the first machinery was sold for Rs.40,000. On the same day machinery was purchased for Rs. 45,000. Depreciation was provided @ 10% annually on 31 st December. Prepare Depreciation a/c using Straight line method and Diminishing Balance Method.				10M	3	2
8	From the following balance sheet of Abha Ltd. Prepare cash flow statement :				10M	4	2
	Liabilities	2008	2009	Assets	2008	2009	
	Share capital	3,00,000	4,00,000	Fixed	4,00,000	5,50,000	
	P & loss a/c	85,000	1,10,000	Assets	2,00,000	2,25,000	
	Bank Loan	1,00,000	75,000	Stock	2,10,000	1,90,000	
	Accumulated depreciation	80,000	1,35,000	Debtors	80,000	1,10,000	
	Creditors	3,10,000	60,000	Receivable	30,000	-----	
	Proposed dividend	45,000		Bank			
		9,20,000	10,75,000		9,20,000	10,75,000	
	Additional Information:						
	A piece of machinery costing Rs.60,000 on which accumulated depreciation was Rs.15,000 was sold for Rs. 30,000.						

OR																																
9	Define Financial Statement Analysis. Differentiate funds flow statement and cash flow statement.	10M	4	2																												
10	Explain the meaning, objectives, procedure of analysis and interpretation of financial statement.	10M	5	2																												
OR																																
11	<p>From the following balance sheet calculate;</p> <p>a. Current Ratio</p> <p>b. Debt – Equity Ratio</p> <p>c. Fixed Assets Turnover ratios</p> <p>d. Return on Capital Employed</p> <p>Profit Before Interest and Tax for the year are 50,00,000 and sales are 30,00,000</p> <p>Balance sheet as on 31-12-2014</p> <table border="1" data-bbox="175 817 1204 1097"> <thead> <tr> <th>Liabilities</th> <th>Amount</th> <th>Assets</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Equity Share Capital</td> <td>12,00,000</td> <td>Fixed Assets</td> <td>17,00,000</td> </tr> <tr> <td>Reserves and Surplus</td> <td>3,00,000</td> <td>Stock</td> <td>3,00,000</td> </tr> <tr> <td>9% Debentures</td> <td>7,00,000</td> <td>Debtors</td> <td>2,80,000</td> </tr> <tr> <td>Creditors</td> <td>2,80,000</td> <td>Marketable securities</td> <td>2,00,000</td> </tr> <tr> <td>Bills Payable</td> <td>50,000</td> <td>Cash</td> <td>50,000</td> </tr> <tr> <td></td> <td>25,30,000</td> <td></td> <td>25,30,000</td> </tr> </tbody> </table>	Liabilities	Amount	Assets	Amount	Equity Share Capital	12,00,000	Fixed Assets	17,00,000	Reserves and Surplus	3,00,000	Stock	3,00,000	9% Debentures	7,00,000	Debtors	2,80,000	Creditors	2,80,000	Marketable securities	2,00,000	Bills Payable	50,000	Cash	50,000		25,30,000		25,30,000	10M	5	2
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