

MID-TERM EXAMINATION
(Course Name MBA) (Semester 1st)
(October, 2023) OFF LINE mode

Subject Code: MMS-103**Time : 1 ½ Hours****Subject: Financial Reporting and Analysis****Note: Q. 1 is compulsory.****Maximum Marks : 30**

Q1	<p>(a) What are the benefits of IFRS convergence? (2.5*4)</p> <p>(b) Differentiate between cash discount, trade discount and rebate?</p> <p>(c) Shyam has paid salaries of Rs. 150,000 for the year ended 31st march, 2022. Salaries include Rs 20,000 paid in advance for the year ending 31st march 2023. Show how it will be shown in the profit and loss account and balance sheet.</p> <p>(d) Explain any two qualitative characteristics of financial statements?</p>	
Q2	(Attempt any Two Parts) UNIT-1	(5,5)
	(a) Explain the conceptual framework given by IASB in short.	
	(b) Briefly explain separate accounting entity concept with example.	
	(c) Differentiate between accounting concepts and accounting conventions?	
Q3	(Attempt any Two Parts) UNIT-2	(5,5)
	(a) Record the following journal entries in the books of ABC Ltd.	
	Jan 1 bought goods from Ravi Rs. 10,000	
	Jan 8 goods worth rs 4000 were damaged by fire and insurance company accepted claim of rs 3000 and cash is received from the insurance company.	
	Jan 9 sold goods to X for cash costing Rs 400,000 at a profit of 25% on cost less 20% trade discount and charged 8% sales tax.	
	Jan 20 sold goods to Y of the list price of Rs 1,20,000 less 20% trade discount and 5% cash discount and paid 50% by cheque.	
	Jan 30 goods returned to Ravi Rs 2,000	

(b) Following are the extracts of a trial balance as on 31 March 2019;		
Particulars.	Dr balance.	Cr balance
9% p.a. loan from R (on 1.4.2018)		1,00,000
10% p.a. loan from S (on 1.7.2018).		200,000
10% p.a. loan to A (on 1.4.2018)	1,00,000	
12% p.a. loan to B (on 1.6.2018)	2,00,000	
Interest on the 9% p.a. loan (R)	9,200	
Interest on 10% p.a. loan (S)	12,000	
Interest on 10% p.a. loan to A		10,500
Interest on 12% p.a. loan to B		16,000
Show how these items will appear in the final accounts.		
(c) Following are the extracts of a trial balance as on 31 March 2020		
Particulars	Debit balance	Credit balance
Plant and machinery	50,000	—
Wages	5,000	—
Required: Show how these items will appear in final accounts in each of the following alternative cases.		
Case A		
A machine costing Rs 20,000 was purchased on 1 July 2019. Wages Rs 2000 for its erection have been debited to wages account. Provide depreciation on plant and machinery @ 10%.		
Case B		
Machinery costing Rs 20,000 was purchased on 1 July 2019 but it was not recorded in the books as no payment was made for it. Wages Rs 1000 paid for its erection have been debited to wages account. Write 10% p.a. off the plant and machinery.		