

NMIMS Centre for Distance and Online Education (NCDOE)

Course: Financial Accounting

Internal Assignment Applicable for Dec 2024 Examination

Assignment Marks: 20

Instructions

- All Questions carry equal marks
- All Questions are compulsory
- All answers to be explained in not more than 1000 words for question Q1 and for question Q2(A) and Q2(B) in not more than 500 words for each subsection. Use relevant examples, illustrations as far as possible
- All answers to be written individually. Discussion and group work is not advisable.
- Students are free to refer to any books/reference material/website/internet for attempting their assignments, but are not allowed to copy the matter as it is from the source of reference.
- Students should write the assignment in their own words. Copying of assignments from other students is not allowed
- Students should follow the following parameter for answering the assignment questions

For Theoretical Answer	
Assessment Parameter	Weightage
Introduction	20%
Concepts and Application related to the question	60%
Conclusion	20%

For Numerical Answer	
Assessment Parameter	Weightage
Understanding and usage of the formula	20%
Procedure / Steps	60%
Correct Answer & Interpretation	20%

PLEASE NOTE: This assignment is application based, you have to apply what you have learnt in this subject into real life scenario. You will find most of the information through internet search and the remaining from your common sense. None of the answers appear directly in the textbook chapters but are based on the content in the chapter

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Q1. Given the following information of ABC Ltd. as of March 31st:

1. Revenue Rs. 5,00,000
2. Cost of Goods Sold Rs. 3,00,000
3. Operating Expense Rs. 80,000
4. Depreciation Rs. 30,000
5. Tax Rate 30%

Prepare the Income Statement and calculate the Net Profit after Tax. Additionally, evaluate how the inclusion of non-cash items like depreciation affects the financial position of the company, and discuss its significance in decision-making for stakeholders.

(10 Marks)

Q2 (A) Compare and contrast the role of journal entries and ledger accounts in the accounting process. How does the relationship between these two elements ensure accurate financial reporting? Support your answer with examples.

(5 Marks)

Q2 (B) Analyze how changes in accounting policies, such as revenue recognition, can alter the interpretation of a corporation's financial performance and position. Discuss the potential implications and investors and creditors using real-life corporate examples.

(5 Marks)
