

Enrollment No./Seat No.:

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA - SEMESTER - I EXAMINATION - WINTER 2025

Subject Code: MB01095011

Date: 17-01-2026

Subject Name: Financial Accounting & Reporting

Time: 10:30 AM TO 01:30 PM

Total Marks: 70

Instructions

- 1. Attempt all questions.**
- 2. Make suitable assumptions wherever necessary.**
- 3. Figures to the right indicate full marks.**
- 4. USE of SIMPLE calculators AND non-programmable scientific calculators are permitted.**

	Marks
Q.1 ALL 7 Questions must be Compulsory.	14
(a) Financial accounting and cost accounting	
(b) Revenue recognition concept	
(c) Tangible and intangible assets	
(d) Written down value depreciation	
(e) Acid test ratio	
(f) Financing and investment activity in cash flow statement	
(g) Interim dividend	
Q.2 (a) Explain going concern concept and materiality convention concept in detail with example.	07
(b) Pass journal entries in the books of Mehta limited	07
1. Started business with cash ₹1,00,000.	
2. Purchased furniture on credit from M/s FurniHouse ₹15,000.	
3. Paid salary to employees ₹20,000.	
4. Received commission ₹5,000.	
5. Bought stationery for office use ₹1,200.	
6. Withdrew ₹3,000 cash for personal use.	
7. Paid electricity bill ₹800.	

OR

(b) Pass journal entries in the books of Bhadra limited

07

Purchased a computer for ₹25,000 in cash.

Deposited ₹10,000 into bank account.

Received ₹6,000 from a customer in full settlement of ₹6,500.

Paid insurance premium ₹2,500.

Goods withdrawn by owner for personal use ₹2,000.

Issued a cheque of ₹7,000 to a supplier.

Received a cheque of ₹9,000 from a customer.

Bank charged ₹150 as bank charges.

Q.3 (a) Below is balance sheet of Zoya limited as on 31st March, 2025 and 2026 with additional information. Prepare statement showing cash flow during year 2025-26.

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Liabilities	31/3/25	31/3/26	Assets	31/3/25	31/3/26
Equity share capital (10 Rs. each)	100000	400000	Fixed assets	500000	1100000
Capital reserve	100000	-	10% Investments	100000	-
General reserve	300000	400000	Stock	300000	200000
15% debentures	100000	300000	Debtors	200000	300000
Creditors	100000	400000	Bank Balance		1000000
Bills payable	100000	300000	P/L Account	100000	-
Provision for tax	200000	500000			
Provision for depreciation	100000	300000			
Bank OD	100000				
Total	1200000	2600000	Total	1200000	2600000

Additional information

1. The company has sold of all fix assets for Rs 6 lakh and credited profit to Capital reserve.
2. Company has given fully paid up bonus share to its shareholders from capital Reserve account.
3. Company sold investments for 120000 and provided 5 lakh for income tax for year 2025 26.

4. During 2025-26 company Paid Rs. 100000 for interim dividend

- (b) From the following particulars for the month of March, 2012, find out the cost of inventory on 31 March 2012 under perpetual inventory system using FIFO method of pricing issue of materials

07

Date	Particulars	Quantity	Rate per kg
March 1	Opening inventory	400	100
March 4	Purchase	2000	140
March 8	Issue	1600	
March 15	Purchase	1000	160
March 24	Issue	200	
March 26	Purchase	300	180
March 28	Issue	360	

OR

- (a) Explain operating, financing and investment activity of cash flow statement in detail 07
- (b) Explain profitability, liquidity and capital employed ratios in detail with its interpretation 07

Q.4 (a) Write a detailed note on Director's Report, Auditor's Report, Financial Statements and Notes to Accounts 07

- (b) Explain the Financial disclosure requirements under different heads. 07

OR

- (a) Write a note on Management Discussion and Analysis (MD&A) 07

- (b) Elaborate the disclosure of Accounting Policies, Related Party Disclosures, Voluntary Disclosures. 07

Q.5 Following is trial balance and adjustments of Mishra limited for the year ending on 31st March, 2025.

Particulars	Debit (Rs)	Credit (Rs.)
Share Capital (10 Rs each)	0	120000
Opening Stock	76500	0
Purchase and sales	330000	495000
Returns	5700	0
General Expenses	2700	0
Wages	18000	0
Salary	28050	0
Travelling Expense	4800	0
Advertisement	2325	0

Rent	7350	0
Discount received	0	3300
Bank Interest	1275	0
Bad debt	3750	0
Building	142500	0
Plant and Machinery	147000	0
Debtors and Creditors	67500	83250
Loan	0	37500
Cash	2100	0
Reserves	0	34500
Interest on Bank FD	0	66000

Adjustments:

1. Provide depreciation at 12% on Plant and Machinery and 8% on building.
2. Transfer Rs. 13000 to Reserves.
3. Stock on 31.12.2022 was valued at Rs. 27500.
4. Create 5% BDR
5. Plant purchase worth Rs. 10,000 has been wrongly shown in purchase.
6. Salesmen was eligible for commission at 5% which was omitted to enter.

(a) Prepare Trading account and P/L account from above trial balance

07

(b) Prepare Balance sheet from above trial balance and adjustments

07

OR

- (a)** Write a note on components of trading account and P/L account, Elaborate in detail **07**
- (b)** Write a note on components of Balance sheet explain in detail **07**
