10 MAR 2025 (M)

NCU-FORM-29

| THE NORTHCAP UNIVERSITY | Minor Examination Question Paper | Review Date: |
|---|---|---|
| | Department of Management and Commerce | Semester: VI<br>Session: JAN - JUN 2025 |
| | Programme: BCOM<br>Course Name: *Financial Reporting & Analysis*<br>Course Code: BSL347 | Maximum Marks: 25<br>Duration: 90 minutes<br>Sheet 1 of 2 |

**Instructions**

1. The paper has THREE Sections.
   a. Section A has THREE questions of TWO marks each.
   b. Section B has THREE questions of FIVE marks each.
   c. Section C is Application Based and is of FOUR marks.
2. There is **NO CHOICE** in this paper.
3. Attempt one section fully before starting with a new section.
4. This paper does NOT require use of any log/statistic table(s)
5. This paper require use of any calculator.

**Course Outcomes**

CO 1 Developing skills for interpretation business information and application of financial theory in financing related decisions
CO 2 To familiarize the students with financial statements and principles underlying them and to develop their skills in reading Annual Reports.
CO 3 Learn the concept of Financial & Ratio Analysis.
CO 4 Learn the concept of Fund Flow and Cash Flow Statements

## SECTION A
Short Answer Type Questions
6 marks

| Q# | QUESTION | Marks | CO# |
|---|---|---|---|
| 1. | Write a short note on objectives of Accounting Standards. | 2 | CO1 |
| 2. | What do you understand by Creative accounting. Also briefly explain the techniques of creative accounting. | 2 | CO2 |
| 3. | Differentiate between IND AS vs IFRS. | 2 | CO1 |

## SECTION B
Long Answer Type Questions
15 marks

| Q# | QUESTION | Marks | CO# |
|---|---|---|---|
| 4. | The following is the Profit & Loss Account of ABC Ltd. for the years 2022 and 2023.<br>Required:<br>1. Prepare a Comparative Profit & Loss Account showing absolute and percentage changes.<br>2. Interpret the results and comment on profitability, cost control, and financial health. | 5 | CO2 |

| Particulars | 2022 (₹) | 2023 (₹) |
|---|---|---|
| Sales Revenue | 8,00,000 | 10,00,000 |
| Cost of Goods Sold | 4,50,000 | 5,50,000 |
| Gross Profit | 3,50,000 | 4,50,000 |
| Operating Expenses | 1,20,000 | 1,40,000 |
| Net Profit Before Tax | 2,30,000 | 3,10,000 |
| Tax (25%) | 57,500 | 77,500 |
| Net Profit After Tax | 1,72,500 | 2,32,500 |

| Issued by: | Approved by: |
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| Date: | Date: |

| | | | |
|---|---|---|---|
| 5. | XYZ Ltd. has provided the following balance sheet for the years 2021 and 2022: | 5 | CO2 |

| *Particulars* | *2021 (₹)* | *2022 (₹)* |
|---|---|---|
| Assets: | | |
| Cash & Bank Balance | 50,000 | 75,000 |
| Accounts Receivable | 2,00,000 | 2,50,000 |
| Inventory | 3,50,000 | 4,00,000 |
| Fixed Assets | 4,00,000 | 5,00,000 |
| Total Assets | 10,00,000 | 12,25,000 |
| Liabilities & Equity: | | |
| Accounts Payable | 1,50,000 | 1,75,000 |
| Long-Term Debt | 3,50,000 | 4,50,000 |
| Shareholders' Equity | 5,00,000 | 6,00,000 |
| Total Liabilities & Equity | 10,00,000 | 12,25,000 |

Required:

1. Prepare a Common Size Balance Sheet for the years 2021 and 2022.
2. Analyze the financial position of the company based on the common size balance sheet.

| | | | |
|---|---|---|---|
| 6. | Explain any five accounting concepts. | 5 | CO1 |

## SECTION C

Application Based Question / Case Study

4 marks

| Q# | QUESTION | Marks | CO# |
|---|---|---|---|
| 7. | DEF Ltd. has provided the following financial details for the year: | 4 | CO2 |

- Sales Revenue: Rs15,00,000
- Cost of Goods Sold: Rs 9,00,000
- Opening Inventory: Rs 1,00,000
- Closing Inventory: Rs 1,50,000
- Net Income: Rs 2,00,000
- Total Assets: Rs 12,00,000
- Shareholder's Equity: Rs 6,00,000
- Long-Term Debt: Rs 4,00,000
- Short-Term Debt: Rs 1,00,000
- Total Debt: Rs 5,00,000

Using this information, calculate the following ratios:

1. Stock Turnover Ratio
2. Gross Profit Ratio (GP Ratio)
3. Debt Equity Ratio
4. Return on Investment (ROI) Ratio

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| Issued by: | Approved by: |
| Date: | Date: |