

Code No: 11004

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD**MBA-I Semester Supplementary Examinations July 2010****FINANCIAL ACCOUNTING AND ANALYSIS****Time: 3hours****Max.Marks:60**

Answer any Five questions
All questions carry equal Marks

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1. Discuss briefly about the Generally Accepted Accounting Principals(GAAP)
2. Explain about various subsidiary books prepared by an organization
3. What is Goodwill? Explain about the methods of valuation of Goodwill
4. What is forfeiture and re- issue of forfeited shares? State the steps involved in re- issue of forfeited shares.
5. Discuss about the techniques of financial statement analysis
6. The balance sheets of M & Co. and N & co. are as follows

Balance sheets as Dec 31,2009

Liabilities	M & Co Rs	N & Co Rs.
Preference share capital	120000	160000
Equity share capital	150000	400000
Reserves and surpluses	14000	18000
Long term loans	115000	130000
Bills payable	2000	---
Creditors	12000	4000
Outstanding expenses	15000	6000
Proposed dividend	10000	90000
Total	438000	808000
Assets;		
Land and buildings	80000	123000
Plant and machinery	334000	600000
Temporary investments	1000	40000
Inventories	10000	25000
Book debts	4000	8000
Prepaid expenses	1000	2000
Cash and Bank	8000	10000
Total	438000	808000

Compare the financial position of the two companies with the help of Common size Balance Sheet.

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7. Following is the Profit and Loss account of Manyam Electricals Ltd for the year ended 31st September, 2009.

To Opening stock	1,00,000	By Sales	5,60,000
To Purchases	3,50,000	By Closing stock	1,00,000
To Wages	9,000		
To Gross profit	2,01,000		
	<u>6,60,000</u>		<u>6,60,000</u>
To Administrative expenses	20,000	By Gross profit b/d	2,01,000
To Selling and Distribution expenses	89,000	By interest on investments(outside business)	10,000
To Non operating expenses	30,000	By Profit on sale of investments	8,000
To Net Profit	80,000		
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	2,19,000		2,19,000
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You are required to calculate ;

1. Gross profit Ratio
 2. Net profit Ratio
 3. Operating Ratio
 4. Operating profit Ratio
 5. Administrative Expenses Ratio
8. From the following Balance Sheets of Crompton Co. Ltd Prepare (a) Schedule of changes in Working Capital and (b) Funds Flow Statement

Liabilities	31 Dec2008	31 st Dec.2009	Assets	31 Dec2008	31 st Dec.2009
Capital	120000	150000	Plant	100000	125000
Creditors Bills payable	37000	25000	Land and Buildings	75000	90000
Profit & Loss a/c	15000	17000	Patents	7000	9500
	60000	69000	Cash	17000	23000
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Total	232000	261000	Total	232000	261000
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Additional information:

Depreciation of Rs. 20,000 and Rs 25,000 have been charged on plant, land and buildings respectively in 2009.