

**Code No:21004****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. What are the advantages and limitations of Accounting?
2. What are the books of Original entry and Secondary entry? Describe the procedure of their preparation.
3. What is Straight line method of depreciation? How depreciation is calculated using this method? What are the factors to be considered for the same? What are the advantages of this method?
4. What are the methods of valuation of goodwill? Describe each briefly.
5. What are the legal requirements necessarily followed by the Board of Directors of a company before forfeiture of shares? State the effects of forfeitures of shares.
- 6.a) Distinguish between statement of changes in working capital and funds flow statement?  
b) Distinguish between funds flow statement and balance sheet.
7. "Ratio analysis is a tool to examine the health of business with a view to make financial results more intelligible". Explain.
8. Explain the disclosure norms to be followed in the preparation of Income Statement.

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