Roll No…….. **Total No. of Printed Pages: 2**

Total No. of Questions: [09]

Integrated Dual Degree B.Com-M.Com (Semester – 4th)

FINANCIAL REPORTING AND ANALYSIS

Subject Code: BMCMS1-403

Paper ID: [21410120]

Time: 03 Hours **Maximum Marks: 60**

Instruction for candidates:

1. Section A is compulsory. It consists of 10 parts of two marks each.
2. Section B consist of 5 questions of 5 marks each. The student has to attempt any 4 questions out of it.
3. Section C consist of 3 questions of 10 marks each. The student has to attempt any 2 questions.

Section – A **(2 marks each)**

Q1. Attempt the following:

a. How is government stakeholders in financial statements?
b. Mention limitations of financial statements.
c. Why should a business find funds from operations?
d. Do depreciation lead to flow of cash in business?
e. How do you propose to ascertain stock circular ratio?
f. What do you understand by web reporting?
g. How do cross sectional analysis useful to corporate?
h. Is consolidation of financial statements compulsory in India?
i. Under what standards, Indian companies are preparing accounts and reporting?
j. Whether reporting of income statement and position statement is mandatory in annual reports?

Section – B **(5 marks each)**

Q2. What do you understand by financial statements? Explain the various stakeholders of financial statements.

Q3. Describe the different qualitative characteristics of financial reports.

Q4. The following are the summarized balance sheets of a company as on March 31;

Liabilities	2023	2024	Assets	2023	2024
Share Capital	1,00,000	1,25,000	Land & Building	1,00,000	95,000
General Reserve	25,000,	30,000	Machinery	75,000	85,500
Profit & Loss A/C	15,250	15,300	Stock		
Bank Loan (Long Term)	35,000	----------	Sundry Debtors	50,000	32,100
Sundry Creditors	75,000	67,600	Cash	250	300
Provision for Taxation	15,000	17,500	Bank	------	4,000
			Godwill (at Cost)	--------	1,500

	2,65,250	2,55,400		2,65,250	2,55,400

Additional Information:
During the year December 31, 2024:

i. Dividend of Rs. 11,500 was paid.
ii. Depreciation Charged on Land and Building Rs. 5,000.
iii. Machinery was further purchased for Rs. 19,000
iv. Depreciation written off machinery Rs. 6,000.
v. Income tax provided during the year Rs. 16,500
vi. Loss on sale of Machinery Rs. 100 was written off to general reserve.

You are required to prepare cash flow statement

Q5. From the following figures, make the trend analysis and interpret the results:

Year	Sales	Stock	Prfit before Tax
	(Figures in Lakhs)		
2020	1,881	709	321
2021	2,340,	781	435
2022	2,655	816	458
2023	3,021	944	527
2024	3,768	1,154	672

Q6. What do understand by directors' report? What should be the contents of directors' report?

Section – C **(10 marks each)**

Q7. From the following information of a textile company, complete the proforma balance sheet if its sales are Rs. 32,00,000.The other relevant information is as:

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Net worth	?	Fixed Assets	?
Long Term Debt	?	Stock	?
Current Debt	?	Sundry Debtors	?
		Cash	?
Total	?	Total	?

Sales to Net worth	2.3 Times
Current Debt to Net worth	42%
Total Debt to Net Worth	75%
Current Ratio	2.9 Times
Net Sales to Inventory	4.7 Times
Average Collection period	64 days
Fixed Assets to Net Worth	53.2%

Q8. What is meant by financial scam? What are the reasons for financial scams? Is there any financial scam in corporate world in India? How can a company prevent the possibility of financial scams?

Q9. What do you understand by the performance of the firm? How can it be measured? How can a firm improve its performance? Do you think green performance should also be added as one of the parameters?