807 (FRA)

[20-HKPGDEN-M2S(N)21J]

M.Com 2nd Semester (New) Exam., 2020

FINANCIAL REPORTING AND ANALYSIS

[PGCM-S2-02]

Full Marks : 80

Time : 3 hours

The figures in the margin indicate full marks for the questions

1. *(a)* Answer the following questions : 1×8=8

(i) What do you mean by accounting principles?

(ii) Which organization issues accounting standards in India?

(iii) Define the concept of accounting standard.

(iv) State any one advantage of accounting standard.

(v) What is International Accounting Standards Board (IASB)?

(vi) What is the objective of International Financial Reporting Standards (IFRS)?

(vii) What do you mean by 'conceptual framework' in accounting?

(viii) What is the main objective of financial statements?

(b) Choose the correct option : 1×4=4

(i) Which of the following is a problem arising due to national differences in financial reporting practices?

(1) Method of accounting

(2) Quality of accounting information

(3) Accounting terminology

(4) None of the above

(ii) Which of the following factors is responsible for differences in a nation's financial reporting practices?

(1) Legal system

(2) Social system

(3) Cultural system

(4) None of the above

(iii) How many types of subsidiary companies are there?

(1) Three

(2) Two

(3) One

(4) None of the above

(iv) The term 'holding company' has been defined under which of the following Sections?

(1) Section 1(46) of the Companies Act, 2013

(2) Section 2(46) of the Companies Act, 2013

(3) Section 3(46) of the Companies Act, 2013

(4) None of the above

(c) Fill in the blanks : 1×4=4

(i) _____ is the company in which the controlling interest is acquired.

(ii) The claim of minority shareholders in the subsidiary is termed as _____.

(iii) There are basically _____ components of cash flow statement.

(iv) _____ are the primary drivers of an organization.

2. Answer any *five* from the following questions (each within *50* words) : 2×5=10

(a) Mention any two benefits of International Financial Reporting Standards (IFRS).

(b) State any two objectives of accounting standards.

(c) State two objectives of International Accounting Standards Committee Foundation (IASCF).

(d) Mention two internal users of financial statements.

(e) State any two objectives of National Financial Reporting Authority (NFRA).

(f) What is minority interest?

3. Answer any *four* from the following questions (each in around *150* words) : 3×4=12

(a) Discuss the basic features of GAAP.

(b) State any three needs of accounting standards.

(c) Mention the stages involved in the scope and process of issuing IFRS.

(d) Discuss about any three external users of financial statements.

(e) What is internal audit in accounting?

4. Answer any *three* questions from the following : 6×3=18

(a) Discuss the cash flow statement under direct method.

(b) Explain the objectives of environmental accounting.

(c) Discuss the model of opportunity cost of HR evaluation method.

(d) Find *(i)* gross profit margin and *(ii)* net profit margin, if sales = ₹ 2,00,000, cost of goods sold = ₹ 1,00,000 and other operating expenses = ₹ 50,000.

5. Answer any *three* from the following questions (each in around *300* words) : 8×3=24

(a) Discuss the concept of fund and flow of fund.

(b) Explain the advantages and disadvantages of budgeting control.

(c) Discuss the objectives of financial reporting.

(d) Explain the time-series analysis.

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