**Abstract**

A Study on the financial performance of Facebook on acquisition of Whatsapp has been chosen for the study. The study was carried out for a period of five years (2013-2017) to analyse the performance of Facebook on acquisition of Whatsapp. Secondary data was collected from various websites for the research. The tools used for analysis are Cash flow statements and Comparitive balance sheet. Cashflow for operating activities, investing activities and financing activities are analysed and comparitive balance sheet for five years (2013-2017) are calculated to know the financial performance of Facebook on acquisition of Whatsapp. Findings from the analysis are discussed in operating activities there is a steady growth for Facebook, in investing activities the cashflow is constantly reducing, in financing activities the cash flow is inconsistent for Facebook post acquisition of Whatsapp. The Comparative Balance sheet shows an increase in the total assets and total liabilities, including shareholders fund of Facebook after the acquisition of Whatsapp. Thus the acquisition of Whatsapp plays a significant role in the global areas crucial to Facebook's growth.