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DCBB201/DCAM-201

Reg. No. | | | | | | | | |

II Semester B.B.A Degree Examination June/July - 2025

BUSINESS ADMINISTRATION

Financial Accounting and Reporting

(NEP (R) Scheme)

Paper : 2.1

Time : 2½ Hours **Maximum Marks : 60**

Instructions to Candidates:

Answers should be written in English only.

SECTION - A

Answer any FIVE of the following questions. Each question carries 2 marks.

(5×2=10)

1. a) What do you mean by single Entry system?
   b) Mention any two features of partnership.
   c) What are right shares.
   d) What is meant by Financial Analysis?
   e) Give two examples of non current liabilities.
   f) What is debenture?
   g) What is forfeiture of shares?

SECTION- B

Answer any FOUR of the following questions. Each question carries 5 marks.

(4×5=20)

2. From the following information find out opening stock by preparing Memorandum Trading Account:

Account:	Rs.
Cash Sales	25,000
Credit Sales	15,000
Return inwards	10,000
Return Outwards	5,000
Cash purchases	15,000
Credit purchases	45,000
Wages	5,000
Closing stock	50,000

Rate of gross profit 1/4 on cost

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3. X and Y commenced their partnership business with capitals of Rs.80,000 and Rs.60,000 respective on 1.4.2023. They agreed to share profits in the ratio of 3:2 for the year ending 31/3/2024. They Earned a profit of Rs.24,000 before allowing:

a) Interest on Capital @ 5% p.a

b) Interest on drawing X= Rs.1,500
Y=Rs.1,000

c) Their drawings during the year amounted to Rs.17,000 and Rs.15,000 respectively.

d) Salary to Y Rs.3,000

Prepare P & L Appropriation Account of the firm.

4. Under which heading will the following items appear in the Balance Sheet of a Company as per Schedule III Part I of CO's Act 2013:

a) Preliminary Expenses

b) Loosetools

c) Discount on issue of shares

d) Bank overdraft

e) Goodwill

5. Glaxo Company Ltd. issued 2,00,000 debentures of Rs.10 each payable Rs.2/- on applications Rs.3/- on allotment and Rs.5/- on first and final call. The issue was fully subscribed. All the calls were made and Money duly received . Pass Journal Entries.

6. From the following particulars, Prepare Comparative statement of Profit and Loss

Particulars	2022-23	2023-24
	Rs	Rs
Revenue from Operations	6,00,000	8,00,000
Purchase of Stock intrade	4,00,000	5,00,000
Other Expenses	40,000	50,000
Other Incomes	20,000	25,000
Finance Cost	30,000	40,000
Net Profit	1,50,000	2,35,000

SECTION - C

Answer any Two of the following questions. Each question carries 12 marks.

(2×12=24)

7. On 31/3/2024, The Trial Balance of Virat and Samrat stood as follows:

They share P&L in the ratio 4:1

You are required to prepare Final Accounts after taking into Account the adjustments:

Trial Balance as on 31.3.2024

Particulars	Rs.	Particulars	Rs.
Cash in hand	3,000	Virat's Capital	2,00,000
Virat's Drawings	10,000	Samrat's Capital	1,50,000
Samrat's Drawings	5,000	Commission	1,000
Land and Building	1,10,000	Sales	6,80,000
Salaries	18,000	Purchase returns	15,000
Discount	2,000	Sundry creditors	67,000
Sundry Debtors	80,000	Bills Payable	19,000
Rent and taxes	14,000		
Opening Stock	20,000		
Wages	60,000		
Printing and Stationery	4,000		
Furniture and Fixtures	35,000		
Plant and Machinery	80,000		
Sales Returns	6,000		
Purchases	6,50,000		
Insurance	9,000		
Bills Receivable	26,000		
	11,32,000		**11,32,000**

Adjustments:

a) Closing stock on 31/3/2024 was Rs.25,000

b) Provide Wages Rs.5,000 and salaries Rs.4,000 being outstanding.

c) Insurance paid in advance Rs.3,000

d) Depreciate Building @5% and Plant and Machinery @ 10%

e) Commission accrued but not received Rs.3,000.

8. Karnataka Pharma Ltd. issued 1000 Equity shares of Rs.100 each at 5% discount . The amount was payable at Rs.20/- per share on application, Rs.20 per share on allotment (discount is to be adjusted) Rs.25 per share on first call and Rs.30 per share on final call The issue was fully subscribed. All the calls were made and money was received on all calls except the final call on 100 shares held by Mr.X. His shares were forfeited and reissued at Rs.90 per share and fully paid.

Pass necessary Journal Entries in the books of the Company.

9. The Balance Sheets of 'S' Ltd. and 'R' Ltd. as on 31/3/2023 and 31/3/2024 are given below.

Particulars	**S Ltd**	**R Ltd**
Equity and Liabilities	**Rs.**	**Rs.**
Equity Share capital	1,50,000	4,00,000
Preference Share capital	1,20,000	1,60,000
Reserves	14,000	18,000
Long term loans	1,15,000	1,30,000
Bills Payable	2,000	--
Creditors	12,000	4,000
Outstanding Expenses	15,000	6,000
Proposed dividend	10,000	90,000
Total	**4,38,000**	**8,08,000**
Assets	**Rs.**	**Rs.**
Land and Buildings	80,000	1,23,000
Plant and Machinery	3,34,000	6,00,000
Investments	1,000	40,000
Inventories	10,000	25,000
Debtors	4,000	8,000
Prepaid Expenses	1,000	2,000
Cash and Bank Balance	8,000	10,000
Total	**4,38,000**	**8,08,000**

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

SECTION - D

Answer any One of the following question. This question carries Six marks.(1×6=6)

10. Prepare different Accounts with imaginary figures to find out missing items while converting single entry into double entry system.

11. Draft a Partnership deed as per Partnership Act with imaginary data.