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DCBB201/DCAM201

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

II Semester B.B.A. (Regular) B.B.A.(AM) Degree Examination, June/July - 2026

BUSINESS ADMINISTRATION

Financial Accounting and Reporting

(NEP Scheme Repeaters)

Paper : 2.1

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

Instructions to Candidates:

Answers should be written completely in english only.

SECTION - A

Answer any Five questions. Each question carries 2 marks. **(5×2=10)**

1. a) What do you mean by share capital?

   b) What do you mean by trend analysis?

   c) State any four tangible assets.

   d) What is partnership?

   e) What is TDS?

   f) State any two features of partnership.

   g) Mention any two disadvantages of single entry system.

   (OR)

   What is corporate financial reporting?

SECTION - B

Answer any Four of the following questions. Each question carries 5 marks. **(4×5=20)**

2. Briefly explain the different methods of analysis of financial statements.

3. Lion company Ltd., issued 5,000 equity shares of Rs. 10 each for public subscription. The amount was collected as follows:

   Rs. 3/- on application, Rs. 5/- on allotment,

   Rs. 2/- on first and final call

   All the shares were fully subscribed and the money was duly received. Pass Journal entries in the books of lion company Ltd.

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4. While preparing the balance sheet of a company as per schedule III, part-1 of the companies Act, 2013, under which headings and sub-headings are the following items appear
   1. Patents
   2. Bills payable
   3. Reserve fund
   4. Bank overdraft
   5. Plant and machinery.

5. Prepare a common size income statement

Particulars	**2024 (Rs.)**	**2025 (Rs.)**
Sales	1,00,000	1,50,000
Cost of goods sold	60,000	75,000
Administration expenses	15,000	22,500
Selling expenses	10,000	17,500
Net profit	15,000	15,000

6. Mr. A, Mr. B and Mr. C are partners sharing profits and losses in the ratio of 2:1:1, with capitals of Rs. 80,000, Rs. 20,000 and Rs. 20,000 respectively. According to their partnership deed, Interest on capital is 8% p.a, interest on drawings to be charged at 12% p.a. Mr. C is paid a monthly salary of Rs. 1,000. Interest on drawings amounted to Rs. 1,000, Rs. 600 and Rs. 400 respectively for partners. The profit for the year before making above adjustments was Rs. 62,800. Prepare profit and loss appropriation account.

SECTION - C

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

(2×12=24)

7. Following are the Balance Sheets of Shubha Ltd., as on 31/03/2025 and 31/03/2026.

Liabilities	**31/03/2025 (Rs.)**	**31/03/2026 (Rs.)**
Equity share capital	3,00,000	4,00,000
12% preference share capital	2,00,000	2,50,000
General reserve	1,00,000	1,90,000
10% Debentures	1,00,000	2,00,000
Sundry creditors	2,00,000	4,10,000
Bills payable	-	50,000
	9,00,000	**15,00,000**

Assets	**31/03/2025 (Rs.)**	**31/03/2026 (Rs.)**
Plant and Machinery	3,00,000	6,25,000
Land and Building	1,80,000	2,20,000
Investments	1,00,000	2,00,000
Stock	1,50,000	2,00,000
Sundry Debtors	1,00,000	1,20,000
Cash	70,000	1,35,000
	9,00,000	**15,00,000**

8. Following is the Trial Balance of Ganesh Ltd., as on 31/3/2025

Particulars	**Dr (Rs.)**	**Cr (Rs.)**
Opening stock	75,000	-
Purchases	1,90,000	-
Wages	30,000	-
Carriage	1,000	-
Furniture	12,500	-
Salaries	6,000	-
Rent	7,500	-
Trade expenses	5,500	-
Sundry Debtors	27,000	-
Plant and Machinery	6,00,000	-
Cash at bank	10,750	-
Patents	4,500	-
Bills receivable	7,000	-
Bad debts	3,250	-
Discount allowed	4,000	-
Equity share capital	-	2,50,000
Purchase returns	-	5,000
Sales	-	5,75,000
Discount received	-	3,150
P and L A/c balance	-	85,000
Sundry creditors	-	16,850
General reserve	-	41,000
Bills payable	-	6,500
Provision for doubtful debts	-	1,500
Total	**9,84,000**	**9,84,000**

Additional information:

1. Stock on 31/03/2025 was Rs. 1,00,000.
2. Depreciation on plant and machinery is 12%, furniture at 10% and patents at 20%.
3. Further Baddebts amounted to Rs. 2,000 and provide 5% on debtors for baddebts reserve.
4. The board of directors recommended a dividend of 25% on share capital.

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9. From the following trial balance of M/s. Vardhan traders, prepare the final accounts for the year ended 31/03/2025

Particulars	Dr (Rs.)	Cr (Rs.)
Plant and Machinery	2,50,000	-
Purchases and sales	5,50,000	10,25,000
Stock (01/04/2024)	2,00,000	-
Returns	7,500	12,500
Wages	50,000	-
Salaries	45,000	-
General expenses	12,000	-
Carriage-in-wards	6,000	-
Carriage-outwards	10,000	-
Discount	3,750	6,000
Baddebts	6,000	-
X's capital	-	4,00,000
Y's capital	-	2,50,000
Insurance	7,500	-
Commission received	-	7,500
Land and Building	2,50,000	-
Furniture	50,000	-
B/R and B/P	1,00,000	11,750
Debtors and creditors	2,00,000	1,25,000
Office equipments	60,000	-
Cash in hand	7,500	-
Cash at bank	22,500	-
	18,37,750	**18,37,750**

Both partners Mr. X and Mr. Y share the profits and losses equally.

Adjustments:

1. Closing stock amounted to Rs. 3,00,000.
2. Outstanding wages Rs. 10,000 and rent Rs. 15,000.
3. Depreciation on plant and machinery @ 5%, land and building @ 10%.
4. Create a reserve at 5% on debtors for doubtful debts.
5. Prepaid Insurance Rs. 1,000.

SECTION - D

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

10. Draft a Balance Sheet with imaginary figures using Trend ratio technique.

11. List out any four current assets and four current liabilities.