

B.M.S COLLEGE FOR WOMEN AUTONOMOUS
BENGALURU – 560004

END SEMESTER EXAMINATION – SEPTEMBER / OCTOBER 2022

B.B.A. - II Semester
Financial Accounting & Reporting

Course Code: BBA2DSC05

Duration: 2 ½ Hours

QP Code: 2026

Max marks: 60

Instruction: Answer all the sections.

SECTION-A

1. Answer any FIVE questions. Each sub-question carries TWO marks (5x2=10)

- a. Mention any four advantages of Single Entry System
- b. What do you mean by Partnership Deed?
- c. What is Authorized Share Capital?
- d. Give the meaning of Bad Debts
- e. List out any four Current Assets
- f. What are Calls in Arrears?
- g. What is Forfeiture of Shares?

SECTION-B

Answer any FOUR questions. Each question carries FIVE marks. (4x5=20)

2. Give any four differences between single entry and double entry system of book keeping
3. Under which heading and sub-headings will the following items appear in the Balance Sheet of a company as per Schedule III, Part-1 of the Companies Act, 2013?
 - a. Capital Reserves (ii) Goodwill (iii) Sundry Debtors (iv) Sundry Creditors
 - (v) Loose Tools (vi) Provision for Taxation
4. Divya and Bhavya are partners sharing profits and losses in the ratio of 3:2. Their capitals are ₹40,000 and ₹30,000 respectively. It was agreed to allow interest on Capital at 5% per annum. Puttappa is allowed salary of ₹ 200 per month for the first 8 months and for the remaining 4 months ₹ 300 per month. During the year Divya withdrew ₹ 10,000 and Bhavya withdrew ₹ 78,000. The profits for the year before adjusting interest on Capital and Salary amounted to ₹12,300. Prepare Profit and loss appropriation account.
5. From the following information, interpret the result of operations of a Manufacturing

concern using trend percentages.

(₹ in lakhs)

Particulars	2015-16	2016-17	2017-18
Revenue from Operations	100	90	120
Cost of goods sold	60	60	70
Other expenses	10	10	15
Profit before tax	30	20	35
Income taxes	15	10	17.5
Profit after taxes	15	10	17.5

6. Ascertain Opening stock from the following information

Particulars	₹
Purchases made during the year	22,000
Sales made during the year	33,000
Closing stock	2,000
Wages, freight, etc.,	500
Indirect expenses	700
Rate of gross profit on cost	1/2
Return outwards	2,000
Return Inwards	3,000

SECTION-C

Answer any TWO questions. Each question carries TWELVE marks. (2x12=24)

7. The following are the Balance Sheets of Vidya Company Ltd., as on 31.3.2018 and 31.3.2019. Prepare a Comparative Balance Sheet and study the financial position of the concern

(in ₹)

Particulars	2017-18	2018-19
Equity & liabilities:		
Equity share capital	6,00,000	8,00,000
Reserves and surplus	3,30,000	2,20,000
Debentures	2,00,000	3,00,000
Other non-current liabilities	1,50,000	2,00,000
Bills payable	50,000	45,000
Sundry creditors	1,00,000	1,20,000
Other current liabilities	5,000	10,000
Total	14,35,000	16,95,000

Assets:		
Land & building		
Plant & machinery	3,70,000	2,70,000
Furniture & fixture	4,00,000	6,00,000
Goodwill	20,000	25,000
Cash in hand	25,000	30,000
Bills receivable	20,000	80,000
Sundry debtors	1,50,000	90,000
Stock-in-trade	2,00,000	2,50,000
	2,50,000	3,50,000
Total		
	14,35,000	16,95,000

8. Chandrika Co. Ltd., issued 20,000 shares at ₹ 10 each at a premium at ₹ 1 per share, payable ₹ 2 on application, ₹ 4 on allotment (including premium), ₹ 3 on first call and ₹ 2 on final call.

All the shares were subscribed and the money was duly received.

Pass the necessary journal entries and also prepare Balance Sheet in the books of the company.

9. From the following Trial Balance of M/s. Prema and Shobha who share profits and losses in the ratio of 5:3. Prepare Trading and profit and loss account for the year ended 31st March 2022 and a Balance Sheet as on that date

Particulars	₹	₹
Prema 's Capital		1,00,000
Shobha 's Capital		80,000
Prema 's Drawings	17,500	
Shobha 's Drawings	15,000	
Stock on 1-4-2021	1,74,450	
Return inwards	5,540	
Carriage inwards	12,400	
Deposit with Canara bank	13,750	
Carriage outwards	7,250	
Loan to Anil 5% given on 1-4-2022	10,000	

Return outwards		8,400
Interest on loan to Anil		250
Rent	8,200	
Rent outstanding		1,300
Purchases	11,29,700	
Debtors	40,000	
Goodwill	17,300	
Creditors		30,000
Advertisement	9,540	
Provision for doubtful debts		12,000
Bad debts	4,000	
Patents and trade marks	5,000	
Cash in hand	620	
Sales		12,79,140
Discount allowed	3,300	
Wages		7,540
Plant & machinery	30,000	
Total	15,11,090	15,11,090

Adjustments:

- Write off further bad debts by ₹ 6,000.
- Make provision for doubtful debts at 10% on debtors
- The value of closing stock is ₹ 1,87,920.
- Provide depreciation on machinery at 10% p.a.
- Advertisement expenses paid in advance ₹ 1,200.

SECTION-D

Answer any ONE question, carries SIX marks

(1x6=6)

- Prepare a balance sheet of a company as per schedule III Part I of the companies Act 2013 with imaginary figures.
- Prepare any two accounts with imaginary figure to find out missing items while converting single entry into double entry system.
