

**FACULTY OF MANAGEMENT**  
**BBA (CBCS) II – Semester Examination, May / June 2024**  
**(Common Paper for New & Old Students)**  
**Subject: Financial Accounting**  
**Paper: DSC-203**

Times: 3 Hours

Max. Marks: 80

**PART – A**  
**(Short Answer Type)**

**Note: Answer any five questions.**

**(5 x 4 = 20 Marks)**

1. Explain the scope of Financial Accounting.
2. Define ledger with its proforma.
3. Briefly explain position statement with its proforma.
4. What do you mean by Horizontal Analysis?
5. What are uses of IFRS?
6. Briefly discuss the GAAP
7. Briefly discuss the different techniques of financial statement.
8. What are the IFRS issued by IASB?

**PART – B**  
**(Essay Answer Type)**

**Note: Answer all the questions.**

**(5 x 12 = 60 Marks)**

9. a) Elaborate the limitations and uses of accounting information.  
(OR)  
b) Discuss the in detail about accounting principals.
10. a) Define accounting equation and discuss the different types of accounts in detail.  
(OR)  
b) Flowing ledger balances are extracted from the books of Mr. Ramu, prepare the trial balance  
Cash A/c ₹ 5,000; Capital A/c ₹ 20,000; purchases A/c ₹ 50,000; Sales A/c ₹ 70,000;  
Suresh A/c ₹ 10,000(Debit Balance); Ramesh A/c ₹13,000 (Credit balance); Drawings  
A/c ₹500; Discount allowed A/c ₹50; Discount received A/c ₹20; Salaries A/c ₹7,000;  
wages A/c ₹470; plant A/c ₹30,000.
11. a) Distinguish between trading account and profit and loss account  
(OR)

- b) The following trial balance of Patel marketing as on 31<sup>st</sup> march 2019. You are required to prepare the trading and profit & loss account for the year ended 31<sup>st</sup> march 2019 and balance sheet as on that date after making necessary adjustments.

Trial Balance of Patel Marketing as on 31<sup>st</sup> march 2019

Dr			Cr
Particulars	Amount (Rs)	Particulars	Amount (Rs)
Stock (01.04.18)	6,20,000	Sales	30,00,000
Purchases	15,00,000	Discount received	15,000
Wages	1,00,000	Bills payable	2,50,000
Salaries	1,00,000	Creditors	10,00,000
Carriage inwards	45,000	Capital	9,50,000
Insurance	32,000	Sale of Furniture on 31/03/19	15,000
Trade expenses	40,000		
Bills receivable	3,50,000		
Debtors	16,00,000		
Furniture	1,20,000		
Commission	50,000		
Interest	25,000		
Cash in Hand	5,73,000		
Cash at bank	50,000		
Rent & Taxes	25,000		
	<b>52,30,000</b>		<b>52,30,000</b>

**Adjustments:**

1. Stock on 31<sup>st</sup> march 2019, was ₹ 8,00,000
2. Furniture sold was appearing in the balance sheet on 31<sup>st</sup> march 2019 was Rs 20,000
3. Included in the debtors, an amount of ₹10,000 which is expected to realize not more than 50 paise in the rupee. <https://www.osmaniaonline.com>

12. a) Explain the different techniques of financial statement analysis

(OR)

- b) Assuming that a firm has owner's equity ₹5, 00,000. The ratios for firm are :  
 Current debt to total debt 0.45 ; Total debt to owner's equity 0.65 ;  
 Fixed assets to owners equity 0.55 ; Total assets turnover 3 times, Inventory turnover 6 months

Complete the following balance sheet, from the above information

Liabilities	Amount	Assets	Amount
Current Debt	xxx	Cash	xxx
Long term debt	xxx	Inventory	xxx
Total Debt	XXX	Total Current Assets	XXX
Owners Equity	xxx	Fixed Assets	xxx
<b>TOTAL</b>	<b>XXX</b>	<b>TOTAL</b>	<b>XXX</b>

13. a) Explain accounting standards setting in India

(OR)

- b) Discuss the IFRS Statements currently issues by IASB.

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