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BBABMCN 201

**Second Semester B.B.A. Degree Examination, July/August 2023
(NEP 2020) (2021 – 22 Batch Onwards)
CORPORATE ACCOUNTING AND REPORTING (DSCC)**

Time : 2 Hours

Max. Marks : 60

Instruction : Give working notes **wherever** necessary.

SECTION – A

(2 Marks Each)

Answer **any five** of the following questions :

(5×2=10)

1. What is meant by Joint Stock Company ?
2. Define 'Goodwill'.
3. What is Auditors Report ?
4. What is meant by 'Partnership Deed' ?
5. Define Prospectus.
6. What is common size statements ?
7. What is meant by Authorized Capital ?

SECTION – B

(5 Marks Each)

Answer **any four** of the following questions :

(4×5=20)

8. Western Company Ltd. issued 50000 shares of Rs. 10 each to the public for the subscription of its share capital payable at Rs. 4 on Application, Rs. 3 on allotment and balance on 1st and final call.

Applications were received for 50000 shares, the company made the allotment to the applicants in full. All the amount due on allotment, first and final call were duly received. Give the Journal Entries in the book of company.

P.T.O.



9. Prepare Balance Sheet as per Schedule III from the following information.

	Rs.
Share capital	1,44,000
General reserve	37,248
Bills payable	2,48,000
Bills receivable	1,59,000
Deposits (Cr.)	3,200
Provisions made	1,00,372
Other current liabilities	50,000
Fixed assets	2,04,160
Investments	8,000
Inventory	1,03,200
Cash	1,06,600
Other Current Assets	1,860

10. Balu and Lalu are partners in a firm sharing profits and losses as Balu $\frac{3}{4}$ and Lalu $\frac{1}{4}$. Net profit for the year is Rs. 85,000. You are required to prepare Profit and Loss Appropriation Account by taking into consideration the following information

i) The partners Capital Accounts

Balu – Rs. 50,000

Lalu – Rs. 40,000

Interest on capital is 5% per annum

ii) The Current Accounts of partners

Balu – Rs. 20,000

Lalu – Rs. 10,000



iii) Partners drawings amounted

Balu – Rs. 10,000

Lalu – Rs. 5,000

Interest on drawings 10% p.a.

iv) Partners salary

Balu – Rs. 8,000

Lalu – Rs. 5,500

v) Balu's loan Account Rs. 15,000 (2 yrs.)

Give Partners Account.

11. Profits of Thakaba Company Ltd. for the last 4 years. 2019 – Rs. 1,60,000, 2020 – Rs. 1,40,000, 2021 – Rs. 1,60,000, 2022 – Rs. 1,20,000 and Goodwill of business is agreed at 3 years purchase of the average profit of the last four years.

Calculate the value of 'Goodwill' of the Thakaba Company.

12. What are the features of Corporate Reporting ?

13. From the following information, prepare a common size income statement for the year ended 31st March 2022 and 31st March 2023.

Particulars	2021 – 22	2022 – 23
	Rs.	Rs.
1) Revenue from operation	25,00,000	18,00,000
2) Cost of goods sold	12,00,000	10,00,000
3) Operating expenses	1,20,000	80,000
4) Non-operating expenses	15,000	12,000
5) Depreciation	40,000	20,000
6) Wages	20,000	10,000

14. Explain different forms of financial statements.



SECTION – C

(10 Marks Each)

Answer **any three** of the following questions :

(3×10=30)

15. From the following information of Gagan Ltd., prepare Profit and Loss statement in the prescribed form as on March 31 2022 with necessary notes.

Authorised capital

(50000 shares of Rs. 10)

Subscribed Capital		1,00,000
RBD		1,400
Sales		80,000
Purchase return		3,400
Creditors		13,200
Share premium		6,000
General reserve		24,000
Call in arrears	6,400	
Land	10,000	
Building	25,000	
Machinery	15,000	
Furniture	3,200	
Carriage	2,300	
Wages	21,400	
Salaries	4,600	
Sales return	1,700	



Bank charges	100	
Coal, gas and water	700	
Rent and rates	800	
Purchases	50,000	
Bills receivable	1,200	
General expenses	1,900	
Debtors	42,800	
Stock	25,000	
Insurance	400	
Bank	13,000	
Cash in hand	2,500	
	2,28,000	2,28,000

Additional Information :

- a) Charge depreciation on Building @ 2%, Machinery @ 10%, Furniture @ 10%.
- b) Make new RBD of 5% on debtors.
- c) Carry forward unexpired insurance Rs. 120.
- d) Outstanding wages Rs. 3,200, salaries Rs. 500 and rent Rs. 200.
- e) The value of stock at the end Rs. 30,000.



16. Adwaith and Arush are the partners sharing profits and losses in the ratio 2 : 1. From the following ledger balances prepare Trading and Profit and Loss Accounts for the year ending 31st March 2022.

Particulars	Debit	Credit
	Rs.	Rs.
Purchase and sales	70,000	1,50,000
Returns	10,000	5,000
Sundry debtors and creditors	1,00,000	40,000
Stock as on 1-04-2021	30,000	
Wages	20,000	
Plant and machinery	30,000	
Furniture and fixtures	8,000	
Salaries	12,000	
Postage and telegram	1,000	
Rent and taxes	6,000	
Printing and stationery	1,500	
Insurance	500	
Discount	1,000	3,000
Bad debt	800	

Adjustments :

- 1) Closing stock was valued Rs. 40,000
- 2) Outstanding salary Rs. 1,000 and rent Rs. 1,500
- 3) Prepaid insurance amounted Rs. 250.
- 4) Depreciate plant and machinery by 10% and furniture 5%.
- 5) Make a provision for bad debt at 5% on debtors.



17. Shruthi Mills Ltd. issued 10000 equity shares of Rs. 10 each at a premium of Rs. 2 per share payable Rs. 2 on application, Rs. 05 on allotment (including premium) and Rs. 5 on first and final call.

The shares were all subscribed and the money received except the first call and final call on 1000 shares. Prepare

- 1) Share Application A/c
- 2) Share Allotment A/c
- 3) Share First and Final Call A/c
- 4) Share Capital A/c
- 5) Bank A/c

18. Briefly explain various recent trends in corporate reporting.

19. From the Balance Sheet for the year ended 31-03-2022 and 2023, prepare a Comparative Balance Sheet of PSA Chemicals Ltd.

Particulars	Note No.	2021 – 22	2022 – 23
		Rs.	Rs.
Equity and Liabilities			
1) Shareholders fund			
share capital		10,00,000	5,00,000
Reserves and surplus		2,00,000	3,00,000
2) Non-current liabilities			
Long term borrowings		8,00,000	5,00,000
3) Current liabilities			
Trade payables		4,00,000	2,00,000
Total		24,00,000	15,00,000
Assets			
1) Non-current Assets			
Fixed Assets			
Tangible Assets		14,00,000	8,00,000
Intangible Assets		3,00,000	2,00,000
2) Current Assets			
Inventories		5,00,000	4,00,000
Cash and cash equivalents		2,00,000	1,00,000
Total Assets		24,00,000	15,00,000