



K24U 3524

Reg. No. : .....

Name : .....

**III Semester B.B.A./B.B.A. (R.T.M.)/B.B.A.–H.A. Degree (C.B.C.S.S. – O.B.E. –  
Regular/Supplementary/Improvement) Examination, November 2024  
(2019 to 2023 Admissions)**

**Core Course**

**3B04-BBA/BBA(RTM) : FINANCIAL ACCOUNTING**

Time : 3 Hours

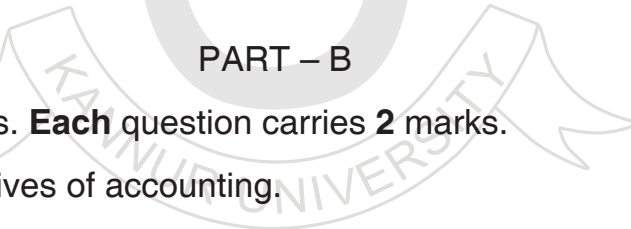
Max. Marks : 40



Answer **all** questions. **Each** question carries **1** mark.

**(6×1=6)**

1. What is the business entity concept ?
2. Name any two branches of accounting.
3. Name the basic financial statements.
4. Define a company.
5. Explain the statement- 'A company has a separate legal entity'.
6. What is internal reconstruction ?



Answer **any 6** questions. **Each** question carries **2** marks.

**(6×2=12)**

7. State any two objectives of accounting.
8. What are contingent liabilities ? Give an example.
9. What is deferred revenue expenditure ? Give an example.
10. Draft the adjusting journal entry for the item 'prepaid expense'.
11. Mention any two rights of preference shareholders.
12. What is authorised capital ?
13. State any two points of difference between merger and acquisition.
14. Who is a dissenting shareholder ?

P.T.O.



## PART – C

Answer **any 4** questions. **Each** question carries **3** marks. **(4×3=12)**

15. State any three limitations of accounting.
16. What are the functions of accounting ?
17. Mention any three points of difference between trading and profit and loss account and balance sheet.
18. E and Y Ltd. issued 200000 equity shares of Rs. 10 each at a discount of 10%. Total amount payable on shares is to be paid along with the application. The issue was fully subscribed. Pass necessary journal entries.
19. Explain the characteristics of a company.
20. Explain the methods of ascertaining purchase consideration.

## PART – D

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

21. Explain the following :
  - a) Assets
  - b) Debtor
  - c) Drawings
  - d) Creditor
  - e) Voucher.
22. The following are the balances extracted from the books of Ashok as on 31<sup>st</sup> December 2023. From these balances, prepare his trading and profit and loss account and balance sheet as on that date.

Name of Accounts	Dr. Balance (Rs.)	Cr. Balance (Rs.)
Opening Stock	8000	
Buildings	15000	
Debtors	4000	
Purchases	22000	
Salaries	1200	
Sales		36000
Discount	800	



Sales returns	1000	
Furniture	3000	
Office Expenses	300	
Wages	600	
Purchase returns		600
Interest		500
Travelling expenses	400	
Fire insurance premium	600	
Machinery	8000	
Carriage on purchases	800	
Commission	600	
Cash in hand	1400	
Rent and taxes	2400	
Capital		25000
Creditors		8000
	<b>70100</b>	<b>70100</b>

**Adjustments :**

- i) Closing stock was valued at Rs. 9,000.
- ii) Office expenses Rs. 200 and wages Rs. 300 are outstanding.
- iii) Depreciate building by 2 %, machinery by 10 % and furniture by 20%.
- iv) Prepaid insurance Rs. 100.

23. B Ltd. issued 100000 equity shares of Rs. 10 each at a discount of 10%. The amount is payable as follows. On application Rs. 2, on allotment Rs. 4 and on the first and final call Rs. 3. All the shares offered were subscribed and the money was duly received. Pass necessary journal entries in the books of the company.

24. What are preference shares? Explain its various classifications.

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