[This question paper contains 4 printed pages.]

Your Roll No..............

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Sr. No. of Question Paper	**:**	**5065**
Unique Paper Code	:	2922071101
Name of the Paper	:	Financial Accounting & Analysis
Name of the Course	:	**BBA (FLA), NEP**
Semester	:	I

Duration : 3 Hours

Maximum Marks : 90

Instructions for Candidates

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Use of Simple Calculator is allowed.
3. **All** questions carry equal marks.
4. Attempt any **FIVE** questions only.

1. (a) From the following transactions of Shri Pankaj Kukreja, write up journal entries with narration:

2025		
April	1	**Assets:** Cash in hand - ₹ 5,000; Cash at bank - ₹ 90,000; Stock of goods -₹ 8,000; Machinery - ₹ 20,000; Building - ₹ 1,25,000; Furniture - ₹ 3,000; Sanya owes - ₹ 25,000; Tanya Owes - ₹ 15,000; **Liabilities:** Loan from Mrs. Nidhi Kukreja - ₹ 70,000; Sum owing to Hema - ₹ 50,000
April	2	Sold goods to Kavita - ₹ 12,000
April	8	Received from Kavita - ₹ 11,950 in full settlement
April	9	Payment to Hema - ₹ 9,500 by cheque and received a discount of ₹ 100
April	15	Purchased 100 shares of LM Limited @ ₹ 75 per share (face value of ₹ 100 per share); brokerage paid 5%
April	25	Bought goods worth ₹ 5,000 from Jaya and supplied the same to Priya for ₹ 6,000
April	26	Paid salaries to staff ₹ 6,000 and recovered from travelling salesman ₹ 1,500 for goods supplied to him after deducting his travelling expenses ₹ 50
April	28	Old furniture sold for ₹ 500
April	29	Sold 50 shares in LM Limited for ₹ 80 per share, brokerage paid ₹ 75.
April	30	Paid Municipal Taxes ₹ 200

[10]

(b) What are the main differences between Capital and Revenue Receipts? Provide examples for each.

[8]

P.T.O.

2. The following is the trial balance of Sahil as on 31st March, 2025;

Accounts	Debit ₹	Credit ₹
Capital Account	-	8,00,000
Drawings Account	60,000	-
Stock on 1st April, 2024	4,50,000	-
Purchases	26,00,000	-
Sales	-	31,00,000
Furniture	1,00,000	-
Sundry debtors	4,00,000	-
Freight and Octrol	46,000	-
Trade expenses	5,000	-
Salaries	55,000	-
Rent	24,000	-
Advertising expenses	50,000	-
Insurance premium	4,000	-
Commission	-	13,000
Discount	2,000	-
Bad debts	16,000	-
Provision for bad debts	-	9,000
Creditors	-	2,00,000
Cash in hand	52,000	-
Bank	58,000	-
Goodwill (at cost)	2,00,000	-
	41,22,000	**41,22,000**

Adjustments:

(i) Stock on 31 March, 2025 was valued at ₹ 5,30,000.

(ii) Salaries have been paid so far for 11 months only.

(iii) Unexpired insurance included in the figure of ₹ 4,000 appearing in the trial balance is ₹ 1,000.

(iv) Commission earned but not yet received amounting ₹ 1,220 is to be recorded in the books of account.

(v) Provision for bad debts is to be brought upto 3% of sundry debtors.

(vi) Manager is to be allowed a commission of 10% of net profits after charging such commission.

(vii) Furniture is depreciated @10% per annum.

(viii) Only one-fourth of advertising expenses are to be written off.

Prepare the trading and profit and loss account for the year ended 31st March, 2025 and balance sheet as on that date. **[18]**

3. (a) Explain the conceptual framework of IFRS. What are the difficulties or challenges in adopting IFRS? **[8]**

(b) What is meant by Generally Accepted Accounting Principles (GAAP)? Highlight the benefits of having generally accepted accounting principles in the globalised world. **[10]**

4. Following are the accounting information of AirCase Ltd.

BALANCE SHEET
as on 31st March (Rs. in lakhs)

Particular	**2024**	**2025**
I. Equity and Liabilities		
Share Capital	250	250
Reserve and Surplus	100	116
Loans	120	100
Creditors and other current liabilities	25	129
TOTAL LIABILITIES	495	595
II. Assets		
Fixed Assets	200	260
Investments	30	40
Stock	100	120
Debtors	50	70
Cash/Bank	20	20
Other Current Assets	25	25
Misc. Expenditure	70	60
TOTAL ASSETS	495	595

Additional Information:

(Rs. in lakhs)

PARTICULARS	**2024-2025**
Sales	600
Profit before interest and tax	150

Calculate the following ratios for the year 2024-25:

i. Current Ratio

ii. Proprietary Ratio

iii. Inventory Turnover Ratio

iv. Return on Capital Employed Ratio **[18]**

5. (a) From the following information provided of a company, calculate Altman's Z score and comment on the financial health of the company.

(Rs.)

Equity Share Capital (of Rs. 10 each)	800,000
10% Preference Share Capital (of Rs. 100 each)	200,000
Fixed Assets	900,000
Current Assets	500,000
Current Liabilities	200,000
8% Debenture	250,000
Retained Earnings	150,000
Sales	12,00,000
EBT	160,000
Market value of each equity share	15
Market value of each preference share	110
Interest on debenture	20,000

[18]

(b) What are the salient features of Ind AS? Explain the benefits of harmonization of different accounting policies. **[8]**

6. Write short notes on any **three** of the following:

(a) Depreciation vs. Amortization

(b) Accrual vs. Cash accounting

(c) Solvency ratio vs. Profitability ratio

(d) Matching concept vs. Revenue Realisation concept **[3 X 6]**