



Seat No. : \_\_\_\_\_

# NI-117

November-2025

**BBA, Sem.-V (NEP)**

**DSC-M-354 : Corporate Financial Reporting**

**Time : 2:00 Hours]**

**[Max. Marks : 50**

1. Discuss difference between Standalone and Consolidated Financial Statements. **10**

**OR**

1. (A) Explain the Qualitative Characteristics of Financial Reporting Information. **5**

1. (B) Discuss difference between Creative Accounting and Window Dressing. **5**

2. The following are the summarized Balance Sheets of Jiya Ltd. : **10**

<b>Particulars</b>	<b>Note No.</b>	<b>31/3/24 (₹)</b>	<b>31/3/25 (₹)</b>
<b>[A] Equity And Liabilities :</b>			
<b>[1] Shareholders' Funds :</b>			
(a) Share Capital :			
Equity Share Capital (₹ 100 each)		20,00,000	26,40,000
(b) Reserves and Surplus		10,25,000	15,12,000
<b>[2] Non-Current Liabilities :</b>			
12% Debentures		10,00,000	12,00,000
<b>[3] Current Liabilities :</b>			
Creditors		6,00,000	3,20,000
Bills Payable		1,00,000	80,000
Proposed Dividend		60,000	40,000
Provision for Taxation		1,40,000	1,60,000
Staff Pension Fund		75,000	48,000
<b>Total</b>		<b>50,00,000</b>	<b>60,00,000</b>

<b>[B] Assets :</b>			
<b>[1] Non-Current Assets :</b>			
(a) Fixed Assets :			
Land & Building	16,00,000	24,00,000	
Plant & Machinery	8,00,000	12,00,000	
Furniture	3,12,500	2,18,400	
(b) Other Non-Current Assets :			
Preliminary Expenses	25,000	72,000	
<b>[2] Current Assets :</b>			
Debtors	6,00,000	8,00,000	
Bills Receivables	3,60,000	3,52,000	
Stock	7,75,000	6,96,000	
Prepaid Expenses	65,000	81,600	
Cash	4,62,500	1,80,000	
<b>Total</b>		<b>50,00,000</b>	<b>60,00,000</b>

**Additional Information :**

Particulars	2023-24 (₹)	2024-25 (₹)
Total Sales (Cash sales are 1/4th of Credit sales)	60,00,000	72,00,000
Gross Profit	16,00,000	21,60,000
Net Profit (Before Interest and Tax)	8,00,000	11,61,600
Tax Rate	50%	50%

Stock on 1/4/2023 ₹ 3,25,000.

From the above information, calculate the following accounting ratios for both the years :

- (1) Net Profit Ratio
- (2) Current Ratio
- (3) Stock Turnover Ratio
- (4) Proprietary Ratio
- (5) Return on Capital Employed
- (6) Debtors Ratio (300 days)

**OR**

2. (A) Explain the limitations of Ratio Analysis.
2. (B) Explain the importance of XBRL.

**5**  
**5**

3. Following are the summarized Balance sheets of Siya Ltd. as on 31<sup>st</sup> March, 2024 and 2025 :

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Particulars	Note No.	31/03/2024 (₹)	31/03/2025 (₹)
<b>[A] Equity And Liabilities :</b>			
<b>[1] Shareholders' Funds :</b>			
(a) Share Capital :			
Equity Shares of ₹ 10 each		6,00,000	10,50,000
(b) Reserves and Surplus :			
General Reserve		4,20,000	2,70,000
Capital Reserve		–	30,000
Profit & Loss A/c		1,80,000	2,25,000
<b>[2] Non-Current Liabilities :</b>			
15% Debentures		–	3,00,000
<b>[3] Current Liabilities :</b>			
Creditors		1,35,000	1,80,000
Bills Payable		1,20,000	54,000
Proposed Dividend		1,05,000	1,50,000
Provision for Taxation		1,20,000	1,38,000
Staff Pension Fund		15,000	30,000
<b>TOTAL</b>		<b>16,95,000</b>	<b>24,27,000</b>
<b>[B] Assets :</b>			
<b>[1] Non-Current Assets :</b>			
(a) Fixed Assets :			
Goodwill		1,50,000	1,41,000
Land & Building		6,15,000	4,20,000
Plant & Machinery		1,80,000	3,90,000
(b) Non-Current Investments :			
Investments		60,000	1,50,000
(c) Other Non-Current Assets :			
Preliminary Expenses		21,000	15,000
Debenture Discount		–	18,000

<b>[2] Current Assets :</b>			
Stock		2,10,000	5,25,000
Debtors		2,40,000	4,74,000
Bills Receivable		39,000	1,26,000
Bank & Cash		1,80,000	1,68,000
	<b>TOTAL</b>	<b>16,95,000</b>	<b>24,27,000</b>

**Additional Information :**

- (1) Land & Building having original cost of ₹ 2,10,000 and written down value of ₹ 1,50,000 have been sold for ₹ 2,40,000. Out of the profit on sale the Capital Profit has been transferred to Capital Reserve and Revenue Profit has been credited to Profit & Loss Account.
- (2) Machinery costing ₹ 2,55,000 was purchased during the year.
- (3) Debentures were issued at 10% discount.
- (4) The Company issued Bonus Shares to the existing shareholders by capitalising required sum from General Reserve in the proportion of 5 : 2.
- (5) Paid Proposed Dividend of the last year and also paid Interim Dividend of ₹ 36,000.
- (6) Paid ₹ 1,08,000 as Tax for the last year.

From the above information, prepare Cash Flow Statement as per Accounting Standard-3.

**OR**

3. (A) Explain difference between Cash Flow Statement and Fund Flow Statement. **5**
3. (B) Discuss the utilities of Cash Flow Statement. **5**
4. Prepare Trend Percentage Statement from the following Balance Sheet : **10**

Particulars	Note No.	31/03/2023 (₹)	31/03/2024 (₹)	31/03/2025 (₹)
<b>(A) Equity and Liabilities :</b>				
(1) Shareholders' Funds :				
(A) Share Capital :				
Equity Share Capital		3,00,000	3,00,000	3,00,000
Pref. Share Capital		1,00,000	2,50,000	2,50,000
<b>Total</b>		<b>4,00,000</b>	<b>5,50,000</b>	<b>5,50,000</b>

(B) Reserves & Surplus :				
General Reserve		1,25,000	1,50,000	2,00,000
Profit & Loss A/c		40,000	30,000	20,000
Securities Premium		70,000	90,000	1,00,000
<b>Total</b>		<b>2,35,000</b>	<b>2,70,000</b>	<b>3,20,000</b>
(2) Non-Current Liabilities :				
Bank Loan		2,20,000	2,80,000	3,00,000
Debentures		1,00,000	90,000	80,000
<b>Total</b>		<b>3,20,000</b>	<b>3,70,000</b>	<b>3,80,000</b>
(3) Current Liabilities :				
Bills Payable		60,000	40,000	50,000
Creditors		40,000	30,000	25,000
Provision for tax		35,000	45,000	50,000
Employees' Fund		20,000	35,000	45,000
<b>Total</b>		<b>1,55,000</b>	<b>1,50,000</b>	<b>1,70,000</b>
<b>Total</b>		<b>11,10,000</b>	<b>13,40,000</b>	<b>14,20,000</b>
(B) Assets :				
(1) Non-Current Assets :				
Fixed Assets :				
Goodwill		1,00,000	1,00,000	1,00,000
Land & Building		3,70,000	4,20,000	4,10,000
Machinery		3,00,000	2,80,000	3,20,000
Furniture		1,20,000	1,10,000	1,50,000
<b>Total</b>		<b>8,90,000</b>	<b>9,10,000</b>	<b>9,80,000</b>
(2) Current Assets :				
Debtors		50,000	90,000	70,000
Cash		1,00,000	1,80,000	2,00,000
Bank Balance		20,000	1,00,000	1,00,000
Bills Receivables		10,000	20,000	30,000
Other		40,000	40,000	40,000
<b>Total</b>		<b>2,20,000</b>	<b>4,30,000</b>	<b>4,40,000</b>
<b>Total</b>		<b>11,10,000</b>	<b>13,40,000</b>	<b>14,20,000</b>

OR

4. (A) Prepare Common Size Statement from the following Profit & Loss Account : 5

Particulars	₹
Sales	50,00,000
Less : Cost of Sales	17,00,000
Gross Profit	33,00,000
Less : Office Expenses	9,00,000
Less : Admin. Expenses	7,00,000
Less : Selling Expenses	4,00,000
Less : Distribution Expenses	3,00,000
Earnings Before Interest & Tax	10,00,000
Less : Interest	2,00,000
Earnings Before Tax	8,00,000
Less : Tax	4,00,000
<b>Net Profit</b>	<b>4,00,000</b>

4. (B) Define the advantages of Common Size Statements. 5

5. Do as directed : (Any Ten) 10

- (1) One of the following does not refer to the window dressing.
  - (A) It is illegal and unethical.
  - (B) It provides bonafide information.
  - (C) It involves fraudulent misrepresentation.
  - (D) It has a malafide intention of cheating the others.
- (2) Which AS is applicable on cash flow statement ?
  - (A) AS-3
  - (B) AS-6
  - (C) AS-27
  - (D) AS-7
- (3) Sale of Investment is a part of \_\_\_\_\_. (Operating activity/Investing activity/Financing activity)
- (4) Creative Accounting is known as \_\_\_\_\_. (Breaking the rules/Bending the rules/Strictly following the rules)
- (5) Accounting Standard 17 provides \_\_\_\_\_.  
(Segment Reporting/Corporate Governance/Accounting for Amalgamation)
- (6) Which of the following is not a Cash Flow ?
  - (A) Decrease in debtors
  - (B) Decrease in creditors
  - (C) Issue of Shares
  - (D) Sale of fixed assets

- (7) Fund flow statement is not a part of basic financial statement. (True/False)
- (8) Common Size Statements are expressed in percentage. (True/False)
- (9) XBRL means \_\_\_\_\_.
- (A) Extensible Business Reporting Language
  - (B) Extensible Business Reporting League
  - (C) Extensive Business Remark Language
  - (D) Extensive Business Reporting League
- (10) Which of the following helps analysing return to equity shareholders ?
- (A) Return on Assets
  - (B) Earnings per Share
  - (C) Net Profit Ratio
  - (D) Return on Investment
- (11) Trend percentage is the method for analyzing financial statements. (True/False)
- (12) Accounting Ratios are important tools used by Investors. (True/False)
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