

Roll No.

Total No. of Pages : 04

Total No. of Questions : 09

BBA (Sem.-1st)**FINANCIAL ACCOUNTING**

Subject Code : BBA-103 (2012 Batch)

Paper ID : [C1123]

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTION TO CANDIDATES :

- SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
- SECTIONS-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying TEN marks each and student has to attempt any ONE question from each Subsection.

SECTION-A**I. Write short notes on :**

- Voucher system
- Special purpose subsidiary books
- Matching of Cost and revenue
- Error of commission
- Revenue expenditure
- Closing entry
- Accounting treatment for Receipts for a sports fund of a club
- Non-Profit organizations
- Diminishing Balance Method
- How method of charging depreciation can be changed?

SECTION-B**UNIT-I**

- What are the accounting concepts and conventions? How the application of these can be seen in the financial statements?



- What are the different categories in which accounts are classified? Explain the different rules of journalizing with appropriate illustrations.

UNIT-II

- What is a 'Trial Balance'? What are the objectives of a trial balance?
- State the considerations which will guide you in deciding whether a particular item should be regarded as a capital or revenue nature.

UNIT-III

- From the following trial balance of X Ltd., prepare a Trading account, trading and profit and loss account for the year ended 31.12.2010 and the balance sheet as on that date

Particulars
Capital Account
Drawing Account
Loan Account
Sundry creditors
Cash in Hand
Cash at Bank
Sundry Debtors
Patents
Plant and Machinery
Land and Buildings
Purchase of raw materials
Raw Material : 1.4.2010

Particulars	Debit Rs	Credit Rs
Work in Process : 1.4.2010	2,000	
Finished Stock : 1.4.2010	18,000	
Carriage Inwards	1,100	
Wages	27,000	
Salary of works Manager	5,600	
Factory Expenses	3,400	
Factory Rent and Taxes	2,500	
Royalties (Paid on Sales)	1,200	
Sales (Less returns)		1,23,400
Advertising	3,000	
Office rent and insurance	4,800	
Printing and Stationary	1,000	
Office Expenses	5,800	
Carriage outwards	600	
Discounts	1,400	2,100
Bad debts	750	
	2,15,500	2,15,500

The stock on 31.3.2011 was as follows: Raw Material Rs. 4,000 ; Work in Progress Rs. 4,500; Finished goods Rs. 28,000.

7. Explain the need and significance of Depreciation? What factors should be considered while applying different methods of depreciation?

UNIT-IV

8. Given below is the Receipts and Payment Account for the year ended 31.3.2010

Receipts	Rs	Particulars
To Balance b/d	1025	By Salaries
To subscriptions		By General
2008-09	40	By Entertainment
2009-10	2050	By News
2010-11	60	By Municipality
To Donations	540	By Charity
To proceeds of entertainment program	950	By Investment
To sale of waste paper	45	By Electricity
		By Balance
	4710	

Prepare the clubs Income and expenditure account for the year ended 31.3.2010 and the balance sheet on that date. Give necessary information into account:

- (a) There are 500 members each paying an annual subscription of Rs. 50 and Rs. 50 is still arrear for 2008-09.
- (b) Municipal taxes amounting to Rs. 40 per annum for the year ended 30.6.2010 and Rs. 50 for salaries is outstanding.
- (c) Buildings stand in the books at Rs. 5000 and depreciation @ 5% per annum.
- (d) 6% per annum interest is accrued on Govt bonds.
9. State the difference between receipts and payments account and expenditure account.