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Total No. of Questions : 09

B.Sc Business Economics (BBE) (2015 to 2017) (Sem.-2)

FINANCIAL ACCOUNTING

Subject Code : BBE204

Paper ID : [72771]

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. **SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.**
2. **SECTION-B consists of FOUR Sub-sections : Units-I, II, III & IV.**
3. **Each Sub-section contains TWO questions each, carrying TEN marks each.**
4. **Student has to attempt any ONE question from each Sub-section.**

SECTION-A

- 1. Answer the followings :**

- a) Limitation of accounting.
- b) Capital expenditure.
- c) Errors of principles.
- d) Provisions for depreciation.
- e) Difference between provision and reserves.
- f) Payments vs. expenditure.
- g) Endowment fund.
- h) Deferred revenue expenditure.
- i) Journal proper.
- j) Opening entry.

SECTION-B**UNIT-I**

2. What is meant by accounting principles? What is their necessity? What are the various concepts of accounting?
3. “Every debit must have its corresponding credit” discuss this statement.

UNIT-II

4. Explain objectives and methods of preparing trial balance. Which method you consider best and why?
5. What is bank reconciliation statement? Explain the reasons of difference in cash book and pass book.

UNIT-III

6. On 1-1-2008, A purchased roasting machine for Rs 60,000 and grinding machine for Rs 40,000 on 1-1-2009 he purchased one oil expeller for Rs 100,000 on 1-1-2010 the roasting machine got out of order and a new roaster was purchased costing Rs 120,000 after surrendering the old one and paying the cash Rs 90,000 on 1-1-2011, the oil expeller purchased on 1-1-2009 was destroyed by fire and the insurance company paid Rs 60,000 only. Show the machinery account for 2008, 2009, 2010 and 2011. Charge depreciation at 10% on W.D.V method.
7. What do you understand by marshalling of balance sheet? Explain the methods of marshalling of the balance sheet.

UNIT-IV

8. What do you mean by “*receipt and payment account*”? How will you convert receipt and payment account into income and expenditure account?
9. How will you treat the following while preparing accounts of a nonprofit organization.
 - a) Legacy.
 - b) Donations.
 - c) Entrance fees.
 - d) Lifetime membership.
 - e) Subscription.