Roll No…….. **Total No. of Printed Pages: 3**

Total No. of Questions: [09]

BBA (Semester –1st)

FINANCIAL ACCOUNTING

Subject Code: BBAD1102

Paper ID: [150102]

Time: 03 Hours **Maximum Marks: 60**

Instruction for candidates:

1. **Section A** is compulsory and consists of 10 parts of two marks each
2. Attempt any 4 questions from **section B** carrying 5 marks each.
3. Attempt any 2 questions from **section C** carrying 10 marks each.
4. Additional Material: Simple Calculator is allowed.

Section-A **(2 marks each)**

Q1. Attempt the following:

a) State the golden rules of accounting.

b) If total assets of a business are Rs **1,30,000** and capital is **Rs 80,000**, calculate creditors.

c) Highlight the concept of conservatism.

d) Give a specimen of trail balance showing at least three entries.

e) State with reasons whether the following are capital, revenue or deferred revenue expenses:
(i) Payment for purchase of goods. (ii) Payment for purchase of stationery.

f) Explain the purpose of preparing balance sheet?

g) From the following information, Prepare Receipts and Payments Account for the year 2023:

Particulars	Rs.
Cash at Bank on 1.1.2023	25,000
Sports materials purchased	10,000
Subscription received from members	10,000
Entrance fee received	5,000
Honorarium paid to coach	5,000
Donation for renovation of playground	50,000
Maintenance of Playground	6,000
Miscellaneous expenses incurred	5,000
Salary payable to staff	4,000

h) What is Capital Fund? How is it calculated?

i) On March 31 2023 the cash book showed a balance of Rs 3,700 as cash at bank, but the bank passbook made up to same date showed that cheques for Rs 700, Rs 300 and Rs 180 respectively had not presented for payment, Also, cheque amounting to Rs 1,200 deposited into the account had not been credited. Prepare a bank reconciliation statement.

j) Outline the different types of errors in accounting.

Section – B **(5 marks each)**

Q2. Briefly explain the concepts which form the back bone of accounting?

Q3. A company purchased a machinery for Rs. 50,000 on 1st October, 2020. Another machinery costing Rs 10,000 was purchased on 1st December, 2021. On 31st March, 2023, the machinery purchased in 2020 was sold at a loss of Rs 5,000. The company charges depreciation @ 15% p.a. on Diminishing Balance Method. Accounts are closed on 31st March every year. Prepare the Machinery Account for every year.

Q4. Differentiate between Receipts and Payments Account and Income and Expenditure Account

Q5. Prepare Journal of M/s Tripathi Bros from the following transactions:-

2023		Amount
Jan. 6	Sold goods for Cash	36,000
Jan. 8	Sold goods to Hari	30,000
Jan. 14	Received cash from Hari	18,000
Jan. 26	Received Commission	750
Jan. 27	Paid Salary to Gopal	1200
Jan. 28	Received cash from Hari	12,000
Jan. 29	Withdrew cash from office personal use	4,000
Jan. 30	Wages paid	7,200
Jan. 30	Bought Machinery for cash	8,000

Q6. Define Trail balance. Discuss the objects of preparing the trail balance.

Section – C **(10 marks each)**

Q7. From the following trial balance of M/s Lubana Traders, prepare Trading and Profit and Loss Account for the year ended 31st March 2024 and a Balance Sheet as on that date :

Dr. Balances `	Balance (Rs.)	Cr. Balances `	Balance (Rs)
Opening stock on 1st April, 2023	16,000	Capital	80,000
Purchases	75,000	Sales	2,00,000
Sales returns	5,000	Purchases returns	2,000
Carriage inwards	1,500	Discount	500
Plant and Machinery	40,000	Sundry creditors	10,000
Furniture and fixtures	5,000	Bills payable	1,500
Freehold property	45,650		

Cash in hand	5,000		
Carriage outwards	400		
Wages	30,000		
Salaries	18,000		
Lighting (factory)	800		
Sundry debtors	28,000		
Travelling expenses	1,200		
Rent and taxes	4,800		
Drawings	5,000		
Insurance	450		
General expenses	12,200		
Total	2,94,000	Total	2,94,000

Adjustments:

i. Stock on 31st March 2024 was valued at ` 38,000 (market value ` 20,000).

ii. Wages amounting to ` 2,000 and salaries amounting to ` 1,500 are outstanding.

iii. Prepaid insurance amounted to ` 150.

iv. Provide depreciation on plant and machinery at 5% and on furniture and fixtures at 10%

Q8. Define Accounting. Discuss in detail the objectives of accounting. Briefly explain the concept of accounting cycle?

Q9. Write short notes on

a) Differentiate between Capital Expenditure and Revenue Expenditure

b) Define depreciation. Explain in detail Methods for Calculating Depreciation?