

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 :

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. 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**1. Write short notes on :**

- (i) Voucher system
- (ii) Special purpose subsidiary books
- (iii) Matching of Cost and revenue
- (iv) Error of commission
- (v) Revenue expenditure
- (vi) Closing entry
- (vii) Accounting treatment for Receipts for a sports fund of a club
- (viii) Non-Profit organizations
- (ix) Diminishing Balance Method
- (x) How method of charging depreciation can be changed?

SECTION-B**UNIT-I**

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

3. What are the different categories in which accounting transactions can be classified? Explain the different rules of journalizing the transactions with appropriate illustrations.

UNIT-II

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

UNIT-III

6. From the following trial balance of X Ltd, prepare the manufacturing account, trading and profit and loss account for the year ending 31.3.2011 and the balance sheet as on that date

Particulars	Debit Rs.	Credit Rs.
Capital Account		41,000
Drawing Account	6,100	
Loan Account		4,000
Sundry creditors		45,000
Cash in Hand	250	
Cash at Bank	4,000	
Sundry Debtors	40,500	
Patents	2,000	
Plant and Machinery	20,000	
Land and Buildings	26,000	
Purchase of raw materials	35,000	
Raw Material : 1.4.2010	3,500	

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 of Heritage Club for the year ended 31.3.2010

Receipts	Rs	Payments	Rs.
To Balance b/d	1025	By Salaries	600
To subscriptions		By General Expenses	80
2008-09	40	By Entertainment program	430
2009-10	2050	By News papers	150
2010-11	60	By Municipal Taxes	50
To Donations	540	By Charity	350
To proceeds of entertainment program	950	By Investment Govt Bonds	2000
To sale of waste paper	45	By Electricity charges	140
		By Balance c/d	910
	4710		4690

Prepare the clubs Income and expenditure account for the year ended 31.3.2010 and the balance sheet on that date after taking following information into account:

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