

January 2023

**BBA (GEN) Re-Appear- I SEMESTER
Financial Accounting (BBA-GEN-103)**

Time: 3 Hours

Max. Marks:75

- Instructions:**
1. It is compulsory to answer all the questions (1.5 marks each) of Part -A in short.
 2. Answer any four questions from Part -B in detail.
 3. Different sub-parts of a question are to be attempted adjacent to each other.

PART -A

- Q1 (a) Going concern concept (1.5)
 (b) The golden rule for nominal account. (1.5)
 (c) Real account (1.5)
 (d) Compensating error. (1.5)
 (e) Suspense Account (1.5)
 (f) Accounting treatment of the sale of old assets in Non-Profit Organizations. (1.5)
 (g) Mention two causes of differences in the cash book and pass book balances. (1.5)
 (h) What are the features of single entry system? (1.5)
 (i) Explain 'Joint Bank Account' in brief. (1.5)
 (j) What is Normal Loss? How will you record it in Consignment Account? (1.5)

PART -B

- Q2 (a) Discuss various concepts and conventions of accounting. (10)
 (b) Discuss Accounting. Discuss the nature and scope of accounting. (5)
- Q3 (a) What is Suspense Account? Why is it opened and how is it closed? (5)
 (b) What do you mean by rectifying entries. How would you rectify one sided and two sided errors? Explain with suitable examples. (10)
- Q4 From the following Trail balance, you are required to prepare Trading and Profit & Loss Account for the year ending 31st march, 2016 and a Balance sheet as at that date: (15)

| Particulars | Rs | Particulars | Rs |
|------------------------|----------|--------------------------------------|----------|
| Opening stock | 25,000 | Sales | 7,00,000 |
| Furniture | 16,000 | Creditors | 60,000 |
| Purchases | 5,55,300 | Bank overdraft | 50,000 |
| Carriage inwards | 4,700 | Provision for bad and doubtful debts | 2,100 |
| Bad Debts | 1,800 | Discount | 500 |
| Wages | 52,000 | Capital | 2,00,000 |
| Debtors | 80,000 | Purchase return | 20,000 |
| Sales Returns | 15,000 | | |
| Rent | 22,000 | | |
| Miscellaneous Expenses | 3,400 | | |
| Salaries | 60,000 | | |
| Cash | 8,900 | | |

| | | | |
|----------------------------|-----------|--|-----------|
| Drawings | 14,000 | | |
| Buildings | 1,60,000 | | |
| Advertising | 10,000 | | |
| Interest on Bank Overdraft | 4,500 | | |
| | 10,32,600 | | 10,32,600 |

Adjustments:

- i. Closing stock is valued at Rs. 36,000.
 - ii. Rent is paid @ Rs. 2,000 per month.
 - iii. Salaries Rs. 8,000 and interest on bank overdraft Rs. 2,500 is outstanding.
 - iv. Make a provision for bad and doubtful debts at 5% on debtors.
 - v. A new sign board costing Rs. 4,000 is included in advertising.
 - vi. Depreciate furniture and fittings by 10%.
- Q5 (a) Why do we prepare Bank Reconciliation Statement? (5)
- (b) State the basis on which 'Receipts and Payments Account' is made for Not-for-Profit Organizations. Show a proforma of it using imaginary figures. (10)
- Q6 (a) What are the characteristics of joint venture? State the differences between joint venture and consignment. (10)
- (b) Explain in details the steps to convert a set of books kept (5)
- Q7 What do you understand by consignment business? What is the difference between consignment and sale? What entries are passed in the books of consignor in this connection and what necessary accounts are opened? (15)
