

15/12/2022
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15/12

Sr. No 352110

December 2023

B.Com(Honours) Re-Appear - I SEMESTER

Financial Accounting (BCOMH-102)

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) What is the primary purpose of financial accounting? (1.5)
- (b) Define the term 'stakeholder' in the context of financial accounting users. (1.5)
- (c) What does the term 'GAAP' stand for in financial accounting? (1.5)
- (d) Define the term 'depreciation' in financial accounting. (1.5)
- (e) What is the 'trial balance' in financial accounting? (1.5)
- (f) Define the term 'balance sheet' in the context of non-corporate financial reporting. (1.5)
- (g) Define 'capital receipt' and provide an example in financial accounting. (1.5)
- (h) Define the term 'Tally software' and its primary function in accounting. (1.5)
- (i) Explain the purpose of preparing branch accounts in a business. (1.5)
- (j) Define the 'Receipt and Payment Account' and its primary function in non-profit organizations. (1.5)

PART -B

- Q2 (a) Examine the roles and interrelationships of financial, cost, and management accounting, providing a comprehensive analysis of their distinct functions, methodologies, and contributions to organizational decision-making and financial reporting. (10)
- (b) Explore and critically assess the qualitative characteristics of accounting information and discuss their collective significance in ensuring the usefulness and credibility of financial statements for various stakeholders. (5)
- Q3 (a) Discuss the importance of the trial balance in the accounting process and how it aids in ensuring the accuracy of financial statements. (5)
- (b) On 1st April 2016, a limited company purchased a machine for ₹1,90,000 and spent ₹10,000 on its installation. At the date of purchase, it was estimated that the scrap value of the machine would be ₹50,000 at the end of sixth year. Give machine account and depreciation a/c in the books of the company for 4 years after providing depreciation by fixed instalment method. The books are closed on 31st March every year. (10)
- Q4 Discuss the fundamental accounting concepts and conventions, emphasizing their role in providing a conceptual framework for financial reporting and decision-making. (15)
- Q5 (a) Explain the distinction between capital and revenue expenditures and receipts, providing examples for each category and discussing their impact on financial statements. (5)
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- (b) Provide a comprehensive analysis of the preparation process for financial statements (10) in non-corporate business entities.

- Q6 (a) Critically analyze the accounting methods employed in branch accounting, exploring (10) their impact on financial reporting, and discuss the strategic considerations for businesses operating with multiple branches.
- (b) Explain the advantages of a computerized accounting system over manual methods, (5) highlighting specific features that contribute to increased efficiency and accuracy.

- Q7 Explain the meaning and accounting treatment of the following items of a non-profit (15) organisation:
 - (a) Subscription
 - (b) Donation
 - (c) Life Membership Fees
 - (d) Sale of Old Assets
 - (e) Capital Fund

PART-B