Roll No. □□□□□□□□□□□□ **Total No. of Pages : 03**

Total No. of Questions : 09

BRDM/Bachelor in Service Industry Management (SIM) (2014 & Onwards)
BBA (2012 & Onwards Batches)
(Sem.–1)

FINANCIAL ACCOUNTING

Subject Code : BBA-103

Paper ID : [C1123]

Time : 3 Hrs. **Max. Marks : 60**

INSTRUCTIONS TO CANDIDATES :

1. **SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.**
2. **SECTIONS-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

Q1. Write briefly :

a) Differentiate between receipt and income.

b) Diminishing balance method of charging depreciation.

c) What is honorarium?

d) Money measurement concept.

e) What is ledger?

f) Differentiate between trade discount and cash discount.

g) Accounting equation.

h) Objectives of accounting.

i) Provision for depreciation.

j) Bank reconciliation statement.

SECTION-B

UNIT I

Q2. "*Every transaction in double entry book keeping must have a double entry*". Explain the statement. Also discuss the rules of journal for different classes of accounts.

Q3. What are subsidiary books? State the transactions that are recorded in each of them.

UNIT II

Q4. "*A trial balance is merely a proof of arithmetic accuracy*". Discuss the statement in light of various errors that a trial balance may not disclose.

Q5. What do you understand by capital expenditure? Why is the distinction between revenue and capital expenditure of great importance in accounting?

UNIT III

Q6. What do you mean by depreciation? What are the causes of depreciation? Enumerate the various methods of calculating depreciation.

Q7. From the following balances extracted from the books of Mr. X, prepare trading and profit and loss account and balance sheet for the year ending 31 March 2014 :

Particulars	**Dr. (Rs.)**	**Cr. (Rs.)**
Drawing and capital	7500	50000
Purchases and sales	72100	95000
Returns	1300	2700
Debtors and Creditors	18200	35750
Stock (opening)		19800
Bad Debts	3000	
Bills receivable and payable	12000	23000
Cash in hand		300
Office expenses	6210	
Sales Van	15000	
Sales Van expenses	1400	
Discount		2910
Rent and Taxes	10700	
Telephone charges	1050	
Postage and Telegram	950	

Furniture	5000	
Stationary	2750	
Commission	8400	
Carriage inward	3200	
Salaries and wages	20500	
Total	**209360**	**209360**

Adjustments :

a) Closing stock was valued at Rs. 61700.

b) Depreciation on Furniture 10% and Sales Van 20%.

c) Outstanding rent amounted to Rs. 900.

d) Bad debts Rs. 200.

e) Create provision for bad debts @ 5% on debtors.

UNIT IV

Q8. What is non-profit organization? What steps are required for converting 'receipt and payment account' into 'income and expenditure account'?

Q9. Distinguish between receipts and payment account and income and expenditure account.