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B.B.A. (Part-I) (Semester - II) Examination, November - 2014**FINANCIAL ACCOUNTING (Paper-II)****Sub. Code : 22929****Day and Date : Saturday, 8 - 11 - 2014****Total Marks : 50****Time : 12.00 noon to 2.00 p.m.****Instructions : 1) All questions are compulsory.****2) Figures to the right indicate full marks.**

Q1) Given below is the Trial Balance of M/s S.K.Traders as on 31st March 2014. Partners share profits and losses equally. from the following Trial Balance and additional information. Prepare Trading and Profit/Loss Account for the year ended 31st March 2014 and the Balance sheet as on that date. **[20]**

Trial Balance as on
31st march 2014

Particulars	Debit (Rs)	Credit (Rs)
Sunil's Capital A/c	-	50,000
Kiran's Capital A/c	-	50,000
Sales (1 st April 2013)	40,000	-
Bills Receivable	10,000	-
Machinery	50,000	-
Purchases	80,000	-
Sales	-	1,18,000
Furniture	26,000	-
Return Outwards	-	1,000
Kiran's Drawings	4,000	-
Sundry Debtors	37,000	-
Sundry Creditors	-	54,000
Salaries	4,000	-
Wages	8,000	-
Insurance	5,000	-
General Expenses	8,000	-
Advertisement (for 3 years WEF 1 st oct. 2013)	3,000	-
Interest and Commission	-	3,000
Prepaid Taxes	2,000	-
Reserve for Doubtful Debts	-	1,000
	<u>2,77,000</u>	<u>2,77,000</u>

P.T.O.

Additional Information:

- a) Stock on 31st march 2014 was worth Rs 35,000 at cost while its market value was Rs 40,000.
- b) It is discovered on 31st march 2014 that the credit sales affected of the value Rs 5,000 had not been recorded in the books.
- c) Depreciate machinery by 10%
- d) The Reserve at 5% be credited for doubtful debts on Debtors.
- e) Outstanding expenses : Salaries Rs 2,000, wages Rs 1,000.
- f) Sunil is to get 1% commission on Gross Profit

OR

Define Management Information System and explain the concept and nature of electronic Data Processing.

Q2) Attempt any two

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- a) A company purchased a machine worth Rs 68000 on 1st April 2009 and paid installation charges of Rs 2000 and decided to depreciate the machinery at the rate of 10% p.a. under the fixed Installment method.

On 1st Oct. 2011 a machinery having an original cost of Rs 10000 was sold for Rs 5000 and on the same date a new machinery was purchased for Rs 10,000. Write up Machinery A/c for 2009 to 31st march 2013 assuming the Account of the Firm are closed on 31st march every year.

- b) On 10th April 2012 Suhas draws a bill for Rs 8000 on Mahesh payable after 2 months . On 10th June 2012 Mahesh requested Suhas, that he was unable to honour the bill and asked for renewal of the bill. Suhas agreed on the condition that Rs 2,000 Should be paid immediately and a new bill will be drawn for further 2 months along with interest of Rs 500. The new bill was duly honoured. Pass Journal Entries in the Books of Suhas.
- c) Define Depreciation. Explain the causes of depreciation.
- d) Define Bill of Exchange. Explain the Parties to the Bill of exchange.

Q3) Write Short Notes (Any two)

- a) Accounting Information System
- b) Basis for Depreciation
- c) Bill of Accommodation
- d) Fixed and Fluctuating Capital Method.

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