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**B.B.A. (Part - I) (Semester - I) Examination, October - 2017**  
**FINANCIAL ACCOUNTING (Paper - I)**

**Sub. Code : 22922**

Day and Date : Tuesday, 24 - 10 - 2017

Total Marks : 50

Time : 12.00 noon to 02.00 p.m.

- Instructions :**
- 1) All questions are compulsory.
  - 2) Figures to the right indicate full marks.

**Q1)** From the following trial balance of Mr. Abhishek, prepare Trading, Profit & Loss Account for the year ended 31<sup>st</sup> March 2017 and Balance sheet as on that date. **[15]**

Particulars	Debit (Rs.)	Particulars	Credit (Rs.)
Purchases	2,72,000	Capital	3,20,000
Debtors	48,000	Sales	3,85,000
Opening stock	1,00,000	Commission	14,000
Wages	27,000	Creditors	1,80,000
Salaries	17,400	Bills Payable	60,000
Furniture	50,000	Outstanding wages	10,000
Machinery	2,50,000	Outstanding Rent	5,000
Printing & stationery	12,000	Interest on Investment	18,000
Trade expenses	4,800		
Rent, Rates & taxes	15,000		
Bad debts	3,600		
Investment	1,00,000		
Prepaid Insurance	2,000		
Cash at bank	30,000		
Bills Receivable	30,000		
Drawings	30,200		
	<u>9,92,000</u>		<u>9,92,000</u>

**P.T.O.**

Adjustments :

- 1) Closing stock on 31st March 2017 was valued at Rs. 1,32,500.
- 2) Depreciate Furniture at 10% and Machinery at 5%.
- 3) Write off further bad debts of Rs. 1,000 and make provision for doubtful debts at 5% on debtors.
- 4) Salaries includes advance salary Rs. 1,500.
- 5) Commission due but not received Rs. 800.

OR

What is Book Keeping and Accountancy? Differentiate between Book Keeping and Accountancy.

**Q2) Write short answers (Any Two):**

[20]

- a) Explain in detail Full Disclosure Convention and Conservation Convention.
- b) Define Financial Accounting. Explain in detail the Internal and External users of Accounting Information.
- c) What is trial balance? Explain the objectives and methods of preparing trial balance.
- d) Journalise the following transactions in the books of Mr. Parag for the month of April 2017.

	Rs.
i) Commenced business with cash on 1 April	50,000
ii) Introduced furniture in business on 4 <sup>th</sup> April	40,000
iii) Deposit into bank on 8 <sup>th</sup> April	30,000
iv) Purchased goods and paid by cheque on 10 <sup>th</sup> April	20,000
v) Sold goods for cash	15,000

**Q3) Write Short Notes (Any Three):**

- a) **Business Entity and Going Concern Concept.**
- b) **Subsidiary books.**
- c) **Importance of Journals.**
- d) **Bank Reconciliation statement.**
- e) **Cash book with Cash and discount column.**

