

Seat  
No.

**B.B.A. (Part - I) (Semester - II) Examination, 2013**  
**FINANCIAL ACCOUNTING (Paper - II)**  
**Sub. Code : 43929**

Day and Date : Wednesday, 10 - 04 - 2013

Total Marks : 40

Time : 3.00 p.m. to 5.00 p.m.

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

**Q1)** From the following Trial Balance of M/s Chavan and Deshpande. You are required to prepare Trading, Profit and Loss Account for the year ended 31<sup>st</sup> March 2008. And Balance-Sheet as on that date after taking into account the necessary adjustments. [14]

**Trial Balance**

Particulars	Debit Rs.	Credit Rs.
Chavan's capital	—	1,80,000
Deshpande's capital	—	1,50,000
Chavan's Drawings	14,450	—
Deshpande's Drawings	10,000	—
Stock on 1 <sup>st</sup> April 2007	2,00,000	—
Bills Receivable	25,000	—
Purchases	2,75,000	—
Sales	—	4,00,000
Bills payable	—	60,000
Returns	5,000	4,500
Plant and Machinery	1,00,000	—
Loose Tools	25,000	—

Patents	25,000	—
Sundry Debtors	1,25,000	—
Sundry Creditors	—	1,40,000
Cash at bank	77,550	
Wages	19,000	
Salaries	17,500	
Rates and Taxes	7,500	
Insurance	3,000	
Printing and Stationery	2,000	
Power and Fuel	3,500	
	<u>9,34,500</u>	<u>9,34,500</u>

## Adjustments :

- 1) Depreciate plant and machinery by 5% and patents by 15%.
- 2) Provide for bad and doubtful debts at 5% on Sundry debtors.
- 3) Prepaid insurance Rs.750/-.
- 4) Outstanding Expenses -
  - a) Salaries Rs.2,500
  - b) Wages Rs.1,000
  - c) Printing and stationery Rs.500.
- 5) Stock as on 31<sup>st</sup> March 2008 was Rs.1,30,000
- 6) Chavan and Deshpande have taken goods worth Rs.2,000 and Rs.3,000 respectively for their personal use. No entry has been made in the books.

OR

Explain the concept and meaning of the term Electronic Data processing and its significance in management information system.

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

**[16]**

- a) Pankaj draws a bill on Anil worth Rs.8000 for three months which was accepted by Anil. On the same date Pankaj discounted the bill with his bank @ 10% p.a. On the due date, Anil dishonoured his acceptance, Anil paid Rs.4000 to Pankaj and accepted a fresh bill for two months for the balance including interest of Rs.40. Anil became insolvent, before the maturity of the bill and 50 paise in a rupee were received as first and final dividend from his estate.

Pass necessary journal entries in the Books of Pankaj.

- b) On 1<sup>st</sup> Jan, 2005; Sunil Traders purchased machinery for Rs.20,000. On 1<sup>st</sup> July 2005, they purchased another machinery costing Rs.10,000. On 1<sup>st</sup> July 2007, the machine purchased on 1<sup>st</sup> Jan 2005 was sold for Rs.6000 and brought another machine for Rs.12,000 on the same date. Depreciation was provided on machinery @ 10% p.a. On the diminishing Balance method and the financial year closes on every 31<sup>st</sup> December. Prepare the machinery A/c and the depreciation A/c for the year 2005, 2006, 2007 and 2008.
- c) Define Bills of Exchange. Explain the parties of the bill of exchange with illustration.
- d) Define depreciation. Explain the different methods of depreciation.

**Q3) Write short notes (any two) :**

**[10]**

- a) Causes of Depreciation.
- b) Accounting information system.
- c) Accommodation bill.
- d) Necessity of preparation of final accounts.

