

Seat No.	
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B.B.A. (Part - I) (Semester - II) Examination, April - 2017
FINANCIAL ACCOUNTING (Paper - II)
Sub. Code : 22929

Day and Date : Friday, 21 - 04 - 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) Given below is the Trial Balance of M/S M.N. Traders on 31st March, 2016. Partners share profit and losses equally. From the trial balance and the additional information prepare trading and profit / loss A/c for the year ended 31st March 16 and the Balance Sheet as on that date.

Trial Balance as on 31/3/16

Particulars	Amt.(Rs)	Particulars	Amt.(Rs)
Stock 1/4/15	40,000	Tina's capital	50,000
Bills Receivable	10,000	Meena's capital	50,000
Machinery	50,000	Sales	1,18,000
Purchases	80,000	Return outward	1,000
Furniture	26,000	Sundry Creditors	54,000
Tina's Drawings	4,000	Commission	3,000
Sundry Debtors	37,000	Reserve for doubtful debts	1,000
Salaries	4,000		
Wages	8,000		
Insurance	5,000		
General expenses	8,000		
Advertisement	3,000		
Prepaid taxes	2,000		
	<u>2,77,000</u>		<u>2,77,000</u>

P.T.O.

additional Information :

- i) Stock as on 31-3-2016 was Rs 35,000 at cost and Rs. 45,000 at market value.
- ii) Depreciate machinery and furniture by 10%.
- iii) The Reserve at 5% to be created on sundry Debtors.
- iv) Outstanding expenses - salaries Rs 2,000/- wages Rs 500/-.
- v) Credit sales of Rs 5,000/- had not been recorded in the books of Accounts.
- vi) Commission to be received Rs 1,000/-

[15]

OR

Explain Nature and concept of Accounting Information System (AIS).

Q2) Write Short Answers (Any Two) :

[20]

- a) Dhiraj draws a bill on Rajesh for Rs 10,000/- for 3 months, Rajesh accepts the bill. Dhiraj then discounts the bill at 15% p.a. with his bank. On the due date Rajesh finds himself unable to make payment of the bill and request Dhiraj to renew the bill. Dhiraj accepts the proposal on the condition that Rajesh should pay Rs 4,000/- in cash and accept a new bill at one month along with interest of Rs 600/-.

These arrangements are carried through and Rajesh honours the new bill on the due date pass Journal entries in the books of Dhiraj.

- b) On 1st Jan. 2012, Mohan Traders purchased furniture for Rs 30,000/-. On 1st July 2012 additional furniture was purchased for Rs 20,000/-. On 30th June 2013, the furniture purchased on 1st Jan. 2012 was sold for Rs 20,000/- and on 1st July 2013 new furniture was purchased for Rs 25,000.

The firm charged depreciation at 10% p.a. under straight line method of depreciation prepare furniture A/c for 4 years assuming that accounting year of the firm is calendar year.

- c) Define depreciation explain the various causes of depreciation.
- d) Define Bill of exchange explain the different parties to the bill of exchange.

Q3) Write Short Notes (Any Three) :

[15]

- a) Management Information System (MIS).
- b) Reducing Balance Method.
- c) Accommodation Bill.
- d) Fixed and Fluctuating Capital Method.

