

Seat No.	
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B.B.A. (Part - I) (Semester - II) Examination, November - 2016

FINANCIAL ACCOUNTING (Paper -II)

Sub. Code : 22929

Day and Date : Thursday, 17 - 11 - 2016

Total Marks : 50

Time : 03.00 p.m. to 05.00 p.m.

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

Q1) Raja and Rani are partners of 'Maharaja Traders'. They decided to share profit and losses in the ratio 3:2. From the following Trial Balance and additional information. You are required to prepare Trading and Profit loss Account for the year ended 31st March 2014 and Balance Sheet as on that date. **[15]**

Trial Balance as on 31.03.2014

Particulars	Debit Amt.	Credit Amt.
Purchases and sales	90,500	1,20,300
Debtors and Creditors	34,000	45,500
Bills receivable and payable	35,000	32,000
Opening Stock	34,600	-
Land and Building	1,20,000	-
Works Manager Salary	4,700	-
Motive Power	5,500	-
Plant and Machinery	80,000	-
Audit fees	3,400	-
Salaries and wages	14,500	-
Trade expenses	2,100	-
General expenses	1,800	-
Wages and Salaries	20,700	-
Loose Tools	10,000	-
Prepaid Rent	4,500	-
Capital A/C - Raja	-	1,50,000
- Rani	-	1,00,000
Raja's loan A/C	-	11,000
Commission received	-	2,500
	<u>4,61,300</u>	<u>4,61,300</u>

P.T.O.

Additional Information:

- a) Stock on hand as on 31-3-2014 was cost Rs. 42,000 and its market price was Rs. 45,000.
- b) Audit fees paid in advance of Rs. 1,500.
- c) Motive power includes Rs. 3,000 paid for deposit of power meter.
- d) Goods worth Rs. 2,500 taken by Raja for his personal use are not entered in the books of account.
- e) Depreciate Plant and Machinery at 5% p.a. and loose tools at 10% p.a.
- f) Commission includes pre-received amount Rs. 1,000.

OR

* Explain the Concept and Nature of Accounting Information System.

Q2) Attempt any two :

[20]

- a) New Trading Company, Mumbai purchased Machinery for Rs. 90,000 on 1st April 2010. On 1st October 2010 additional Machinery was purchased for Rs. 60,000. On 1st October 2012 the company sold the Machinery purchased on 1st October 2010 for Rs. 40,000.

Depreciation is to be charged at 10% p.a. under straight line Method on 31st March every year .

Prepare Machinery Account and Depreciation Account for three years.

- b) Soham sold goods to Rohan worth Rs. 30,000 on 1st March 2012. Rohan accepted a bill for three months drawn on him by Soham on 1st March 2012. On 21st May, Rohan requested that the bill be renewed for a further period of two months. Soham agreed provided 10% interest p.a. would be charged. Soham then drew a new bill for the amount of original plus interest at 10% p.a. for two months. Rohan accepted the new bill. On the due date the new bill was honoured.
- c) Define Depreciation and state the basis for depreciation.
- d) Explain the various parties to the bill of exchange.

Q3) Write short notes (Any three):

[15]

- a) Electronic Data Processing.
- b) Change of Depreciation Method.
- c) Renewal and Retirement of Bill.
- d) Fixed and fluctuating capital Method.

