

**UTTARAKHAND OPEN UNIVERSITY, HALDWANI (NAINITAL)**



उत्तराखंड मुक्त विश्वविद्यालय हल्द्वानी (नैनीताल)

**Programme Name- BBA-First Semester**

**Programme Code- BBA-17**

**Course Name- Financial Accounting**

**Course Code- BBA-103** **Maximum Marks-20**

**Session - 2017-18, Summer** **Last Date of Submission: 31<sup>st</sup> October 2017**

**Session - 2017-18, Winter** **Last Date of Submission: 30<sup>th</sup> April 2018**

**Section-A**

**Section 'A' contains 08 short answer type questions of 2.5 marks each. Learners are required to answer 4 questions only. Answers of short answer-type questions must be restricted to 250 words approximately.**

**Discuss the following (1-8) –**

1. Main branches of Accounting.
2. Accounting Concepts.
3. Sales Journal
4. Accounting Cycle.
5. Bank Reconciliation Statement.
6. On 1<sup>st</sup> January 2012, X Ltd. purchased a machine costing Rs 1,00,000. Its working life is 10 years. It has been decided to depreciate it at the rate of  $12\frac{1}{2}$  per cent on the diminishing balance method. Show the machinery account for first three years.
7. Rules regarding posting of transactions into the ledger.
8. Record the following transactions of J ltd. in journal.

1 <sup>st</sup> May 2016	J started business with cash Rs 75,000.
3 May 2016	Purchased goods worth Rs 8,000 at a trade discount of 10% from Pravin.
5 <sup>th</sup> May 2016	Paid to Pravin Rs 5,200 on account.
9 <sup>th</sup> May 2016	Purchased a Printer for Rs 2,600.
12 <sup>th</sup> May 2016	Sold goods worth Rs 6,400 at a trade discount of 10% to Jitendra.
18 <sup>th</sup> May 2016	Sold goods worth Rs 2,400 purchased from Pravin to Chetan Gupta at a profit of 12.5%.
18 <sup>th</sup> May 2016	Chetan returned goods worth Rs 360 which J returned to Pravin.
24 <sup>th</sup> May 2016	Received Rs 1400 by a crossed cheque from Chetan Gupta.
31 <sup>st</sup> May 2016	Paid Rs 500 for rent by cheque.

### Section-B

Section 'B' contains 04 long answer-type questions of 05 marks each. Learners are required to answers 02 questions only.

1. What are the objectives of financial accounting? Also discuss the Parties that are interested in financial statements.
2. What is meant by Trial Balance? How is it prepared? Is it a concrete proof of accuracy of books of accounts?
3. State the difference between Receipts and Payments Account and Income and Expenditure Account.
4. The following balances are drawn from the books of M/s Arvind Mills as on 31st March, 2016;

Particulars	Amount(Rs.)
Land	1,00,000
Buildings	2,00,000
Sales Returns	10,000
Purchase Returns	5,000
Bank Overdraft	15,000
Creditors	20,000
Wages	12,000
General Expenses	5,000
Bad Debts	1,000
Capital	2,81,000
Sales	3,00,000
Purchases	1,75,000
Stock (01.04.2015)	25,000
Debtors	50,000
Cash in Hand	5,000
Salaries	10,000
Goodwill	15,000
Selling Expenses	12,000
Insurance	1,000

Prepare Trading and Profit and Loss Account for the year ending 31 March, 2016 and the Balance Sheet as on that date after taking into considerations the following information;

- i. Stock in hand on 31st March, 2016 is Rs. 30,000.
- ii. Provide for depreciation on building @ 10%.
- iii. Write off further bad debts Rs 1,000.
- iv. Salaries yet to be paid Rs. 3,000.