

(i) Printed Pages : 7]

Roll No. ....

(ii) Questions : 14]

Sub. Code : 

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Exam. Code : 

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**Bachelor of Business Administration 1st  
Semester Examination**

**1127**

**FINANCIAL ACCOUNTING**

**Paper : BBAS105**

**Time : 3 Hours]**

**[Max. Marks : 80**

**Note :-** There are three Sections namely A, B and C.

Section A carries 20 marks. Students are required to attempt *four* questions out of 6 questions. Each question carries 5 marks. Section B carries 30 marks and students are required to attempt *two* questions out of 4 questions. Each question carries 15 marks. Section C carries 30 marks and students are required to attempt *two* questions out of 4 questions. Each question carries 15 marks.

**NA-119**

( 1 )

Turn Over

5. Give journal entries for forfeiture and re-issue of shares :  
P Ltd., forfeited 1000 shares of Rs. 10 each, Rs. 7 called up, issued at a premium of 20% (to be paid at the time of allotment) for non-payment of 1st call of Rs. 2 per share. Out of these, 600 shares were re-issued as Rs. 7 paid up for Rs. 4 per share.
6. On 15.2.2016, A Ltd., invited applications for issue of 1,00,000 9% Debentures of Rs. 100 each at a discount of 6%, redeemable at par after 3 years. The full amount was payable on application and the debentures were issued on 15.3.2016. Give journal entries for the above transactions.

**Section-B**

2×15=30

7. Define 'Accounting'. Discuss the objectives and limitations of 'Financial Accounting'.
8. Write short notes on the following :
- (i) Accounting Cycle
  - (ii) Management Accounting
  - (iii) Cost concept of Accounting

9. From the following Trial Balance of Shri. Rama Nand Sagar, prepare Trading and Profit & Loss A/c for the year ended 31st December, 2015 and a Balance Sheet as on that date :

Dr. Balance	Rs.	Cr. Balance	Rs.
Opening Stock	20,000	Sales	2,70,000
Purchases	80,000	Purchase Return	4,000
Sales Return	6,000	Discount	5,200
Carriage Inwards	3,600	Sundry Creditors	25,000
Carriage Outwards	800	Bills Payable	1,800
Wages	42,000	Capital	75,000
Salaries	27,500		
Plant & Machinery	90,000		
Furniture	8,000		
Sundry Debtors	52,000		
Bills Receivable	2,500		
Cash in Hand	6,300		
Travelling Exp.	3,700		

Lighting	1,400	
Rent and Taxes	7,200	
General Expenses	10,500	
Insurance	1,500	
Drawings	18,000	
<b>Total</b>	<b>3,81,000</b>	<b>3,81,000</b>

**Adjustments :**

- (i) Stock on 31st December, 2015 was valued at Rs. 24,000 (Market value Rs. 30,000).
- (ii) Wages outstanding for December, 2015 amounted to Rs. 3,000.
- (iii) Salaries outstanding for December, 2015 amounted to Rs. 2,500.
- (iv) Prepaid insurance amounted to Rs. 300.
- (v) Provide depreciation on Plant and Machinery at 5% and on Furniture at 20%.

10. Prepare a Bank Reconciliation Statement as on 30th September 2016 from the following transactions :

	<b>Rs.</b>
(i) Bank Balance as per Pass Book	10,000
(ii) Cheque deposited into Bank, but no entry was made in the Cash Book	500
(iii) Cheque received and entered in the cash book but not sent to bank	1,200
(iv) Credit side of the cash book bank column cast short by	200
(v) Insurance premium paid directly by the bank under the standing advice	600
(vi) Bank charges entered twice in the cash book	20
(vii) Cheque issued, but not presented to bank for payment	500
(viii) Cheque received entered twice in the Cash Book	1,000
(ix) Bill discounted dishonoured not recorded in the Cash Book	5,000
(x) Bank recorded a Cash Deposit of	
Rs. 3,210 as 3,120	



**Section-C**

**2×15=30**

11. Explain the procedure of issuing debentures at par, at discount and at premium. Taking imaginary example, pass necessary journal entries in all the cases.
12. Write short notes on the following :
  - (i) Sweat Equity Shares
  - (ii) Employees Stock Option
  - (iii) Minimum Tradable lot
13. Give a specimen of Company's Balance Sheet according to Indian Companies Act, 1956.
14. Explain the procedure of preparing Financial Statements through Computer Software.