



Term Evaluation (Odd) Semester Examination September 2025

Roll no.....

Name of the Course: B.COM (H)

Semester: I SEMESTER

Name of the Paper: FINANCIAL ACCOUNTING ACCA

Paper Code: BCH 102 ACCA

Time: 1.5 hours

Maximum Marks: 50

Note:

- (i) Answer all the questions by choosing any one of the sub-questions
- (ii) Each question carries 10 marks.

Q1.

(10 Marks)

- a. Define accounting? What are the qualitative characteristics of financial information? CO1
OR
- b. Explain in detail the Users of Financial Accounting? CO1

Q2.

(10 Marks)

- a. "A Business can be operated in one of several ways" In the light of this statement explain the types of business entity? CO1
OR
- b. Define:
 - i. Asset.
 - ii. Liability.
 - iii. Revenue.
 - iv. ExpensesCO1

Q3.

(10 Marks)

- a. Define Corporate Governance as per the Cadbury Report 1992? What is the need of Corporate Governance? CO2
OR
- b. Igor Romanov runs a Russian restaurant. He is a very good chef but not quite so good at accounting and needs help to record and journalize the following transactions:
 - 1 Closing inventory of 250 bottles of vodka at a cost of \$2,750 has not been recorded.
 - 2 Igor needs to charge depreciation on his restaurant. He holds a 25-year lease which cost him \$150,000 ten years ago.
 - 3 A regular customer, V Shady, maintains a tab behind the bar and he normally settles the amount outstanding periodically. However, he currently owes \$350 and has not been seen for some time. Igor has given up hope of payment and intends to write the debt off.
 - 4 On the last day of the year Igor bought two new sofas for cash for the bar area of the restaurant. The sofas cost \$600 each but the purchase has not been reflected in the accounts. CO2

Q4.

(10 Marks)

- a. Mr Kipper Ling runs a business providing equipment for bakeries. He always makes a note of sales and purchases on credit and associated returns, but he is not sure how the transactions should be recorded for the purposes of his accounts.



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- 1 August Mrs Bakewell purchases cake tins at a cost of \$500.
1 August Mr KipperLing purchases equipment at a cost of \$2,000 from wholesalers TinPot Ltd.
2 August Mr KipperLing returns goods costing \$150 to another supplier, I Cook.
3 August Jack Flap buys equipment which cost \$1,200. 3 August Mrs Bakewell returns \$100 of the goods supplied to her.
4 August Victoria SandWitch buys a new oven for \$4,000.
5 August Mr KipperLing purchases baking trays for \$500 from regular supplier TinTin Ltd.
8 August Mr KipperLing purchases ovens costing \$10,000 from Hot Stuff Ltd. 8 August Mr KipperLing returns equipment costing \$300 to TinPot Ltd.
9 August Pavel Ova purchases goods costing \$2,200.
11 August Mrs Bakewell buys some ovenproof dishes costing \$600.
- Write up the following credit transactions arising in the first two weeks of August 2025 into the relevant day books i.e Sales day book, Sales return day book, Purchases Day book and Purchases return day book.

CO 2

OR

- b. Write short note on:
i. IFRS Standards.
ii. International Accounting Standard Board.

Q5.

(10 Marks)

- a. Define cash book and Petty cash book

CO 2

OR

- b. The transactions of a new business in its first five days are as follows:

Day 1 Avon commenced business introducing \$1,000 cash.

Day 2 Bought a motor car for \$400 cash. Day 3 Obtained a \$1,000 loan.

Day 4 Purchased goods for \$300 cash.

Day 5 Sold all of the goods purchased on day 4 for \$400 on credit.

Use the accounting equation to illustrate the position of the business at the end of each day.

CO 2