



K18U 1949

Reg. No. :

Name :

**III Semester B.B.A./B.B.A.(R.T.M.) Degree (CBCSS – Reg./Sup./Imp.)
Examination, November 2018
(2014 Admn. Onwards)
CORE COURSE
3B04 BBA/BBA (RTM) : Financial Accounting**

Time : 3 Hours

Max. Marks : 40

SECTION – A

Answer the 4 questions. **Each** question carries $1\frac{1}{2}$ mark.

1. What do you mean by Balance Sheet ?
2. What is share capital ?
3. What do you mean by matching principle ?
4. What is dual aspect concept ?

SECTION – B

Answer **any four** questions. **Each** question carries 1 mark.

5. What is Trading Account ?
6. What is Management Accounting ?
7. Explain unearned income.
8. What is preference shares ?
9. What do you mean by forfeiture of shares ?
10. Explain Partnership Accounts.

P.T.O.



SECTION – C

Answer **any six** questions. **Each** question carries **3** marks.

11. Write a specimen of Trading Account.
12. What do you mean by accounting conventions of principles ?
13. What is the difference between profit and loss account and balance sheet ?
14. What are the features and functions of Accounting ?
15. Explain the types of financial statement.
16. Explain issue of preference shares.
17. On 1st January 2005 Reserve for doubtful debts had a balance of ₹ 3,000. During the year 2005 bad debts written off amounted to ₹ 2,500. On 31st December 2005 Sundry debtors amounted to ₹ 40,000. 4 provision of 5% is required for doubtful debts. Give a journal entries, prepare provision for bad debts account and show how the item would appear in the final accounts.
18. The following form part of Trial balance of a firm as on 31st December 2005.

Particulars	Dr. (₹)	Cr. (₹)
Sundry debtors	62,000	
Bad debts	3,000	
Provision for bad debts (1-1-05)		2,000

Additional Information :

- 1) Further bad debts to be written off ₹ 2,000.
- 2) Provision required for bad debts – 5% of debtors.

Give journal entries and prepare for bad debts account.



SECTION – D

Answer **any two** questions. **Each** question carries **8** marks.

19. What do you mean by balance sheet ? Show a specimen of balance sheet.

20. Trial Balance of Lakshmi Stores shows following balances on 31-12-2005.

Particulars	Dr. (₹)	Cr. (₹)
Capital		58,400
Opening stock	15,000	
Purchases	60,000	
Sales		1,10,000
Purchase return		3,500
Sales return	2,200	
Advertisement	3,000	
Freight	3,800	
Bank charges	1,000	
Discount allowed	1,200	
Discount received		1,800
Machinery	20,000	
Sundry debtors	30,000	
Sundry creditors		18,000
Drawings	8,000	
Cash in hand	1,200	
Cash at bank	2,500	
Manufacturing expenses	3,800	
Land and Building	40,000	
	1,91,700	1,91,700

Closing stock is valued at ₹ 19,500.

Prepare Trading and profit and loss A/c for the year ending 31st December 2005 and balance Sheet as on that date.



21. BT Ltd. decided to issue ₹ 10,000, 6% preference shares of ₹ 10 each and 10,000 equity shares of ₹ 20 each for public subscription.

Payment of shares are to be made as follows :

Preference shares :

On application – ₹ 2

On allotment – ₹ 4

On call – ₹ 4

Equity Shares :

On application – ₹ 4

On allotment – ₹ 6

On call – ₹ 10

All the shares were subscribed by the public and paid in full. Pass journal entries in the books of the company.
