

Reg. No. :

Name :

**Third Semester B.B.A./B.B.A.(RTM) Degree (CBCSS – Supplementary)
Examination, November 2022
(2016-18 Admissions)
Core Course
3B04 BBA/BBA(RTM) : FINANCIAL ACCOUNTING**

Time : 3 Hours

Max. Marks : 40

SECTION – AAnswer **all** questions. **Each** question carries $\frac{1}{2}$ mark :**(4×½=2)**

1. What do you mean by nominal account ?
2. What is the purpose of preparing profit and loss account ?
3. What is the nature of liability of partners in a firm ?
4. Explain the term redeemable preference share.

SECTION – BAnswer **any four** questions. **Each** question carries **1** mark :**(4×1=4)**

5. List the rule for journalising personal account transactions.
6. Discuss the meaning of the term ledger.
7. Explain going concern concept.
8. What do you mean by forfeiture of shares ?
9. What do you mean by goodwill ?
10. What are current assets ?

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SECTION – CAnswer **any six** questions. **Each** question carries **3** marks :**(6×3=18)**

11. What are the functions of financial accounting ?
12. Write a short note on Generally Accepted Accounting Principles.
13. What do you mean by trial balance ? List its features.
14. Briefly discuss about partnership deed.
15. What are the advantages of equity shares ?
16. On 31st December, 2019, the date of preparation of final accounts, furniture appears at ₹ 5,000. Depreciation @ 10% is required. Give adjusting entry and show its effect in Profit and Loss Account.
17. Explain the following terms :
 - 1) Revenue expenditure
 - 2) Fixed liability
 - 3) Accrued income
 - 4) Real Account.
18. Journalise the following transactions :

Jan. 01 2020 : Govind started business with capital ₹ 1,00,000

Jan. 05 2020 : Opened a bank account with SBI and deposited ₹ 50,000

Jan. 08 2020 : Purchased goods on credit from Santhosh ₹ 7,000.

SECTION – DAnswer **any two** questions. **Each** question carries **8** marks :**(2×8=16)**

19. Briefly discuss about the advantages of financial accounting. Also elaborate about the users of accounting information.

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20. The following is the trial balance of a Saj Traders as on December 31st 2019.

	Dr. (₹)	Cr. (₹)
Capital		47,500
Stock	9,000	
Premises	12,000	
Purchases	28,000	
Sales		42,000
Purchase returns		550
Sales returns	450	
Wages	1,000	
Carriage inwards	450	
Salaries	700	
Bills receivable	9,500	
General expenses	500	
Discount	400	
Drawings	800	
Sundry debtors	5,150	
Cash at bank	16,690	
Insurance	360	
Commission		300
Bills payable		7,500
Creditors		2,150
Furniture	2,000	
Plant and machinery	13,000	
	1,00,000	1,00,000

Adjustments:

- 1) Closing Stock is valued at ₹ 11,500.
- 2) Wages outstanding ₹ 200.
- 3) Salary outstanding ₹ 300.
- 4) Rent due ₹ 4,000.

Prepare Trading and Profit and Loss Account and also the balance sheet as on 31st Dec. 2019.

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21. Rishi and Gopal were in partnership, who were sharing profits and losses equally. Their balance sheet as on 31/03/2020 were as follows :

Balance Sheet as on 31st March 2020

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital Accounts :		Cash	6,000
Rishi	60,000	Debtors	40,000
Gopal	40,000	Stock	80,000
Creditors	60,000	Furniture	10,000
Bills Payable	6,000	Plant and machinery	30,000
	1,66,000		1,66,000

Sanju is admitted as a partner on the date of the balance sheet on the following terms :

- 1) Sanju will bring ₹ 80,000 as his capital.
- 2) Plant and machinery will be increased by ₹ 10,000.
- 3) Furniture should be appreciated by 20%.
- 4) A provision for bad and doubtful debts is to be created at 5% of debtors.
- 5) Creditors to be reduced by ₹ 2,000.

Prepare Revaluation Account and Capital Accounts.