

Term End External Examination 1<sup>ST</sup> Semester (Session-Feb 2025)

Subject: Business Administration

Course No and Title: BBA122N/ Financial Accounting

Time: 2.15 hours

Max Marks:100

Min. Marks:40

Section A: Objective Type Questions

- Q1. Choose the appropriate Answer: (8x1.5=12)**
- i. Which of the following is the objective of Accounting?**  
 A To maintain systematic records of financial transactions  
 B To ascertain financial position  
 C To ascertain financial performance  
 D All of the above.
- ii. Book –keeping is directly related to?**  
 A Ascertainment of financial effects of the business  
 B Designing the system of recording  
 C Interpreting the data for internal and external users  
 D All of these.
- iii. The amount invested by the proprietor in the business is termed as**  
 A Cash  
 B Capital  
 C Debtor  
 D None of these
- iv. Goods worth ₹10,000 given away as charity should be credited to**  
 A Charity A/c  
 B Cash A/c  
 C Purchases A/c  
 D Drawings A/c
- v. Which of the following is recorded in the Cash book?**  
 A Goods purchased for ₹500  
 B Credit sales of ₹500  
 C Goods purchased from Ram Lal for ₹500  
 D All of these
- vi. Ledger is a book of**  
 A Original entry  
 B Secondary entry  
 C All cash transactions  
 D All non-cash transactions
- vii. Which of the following assets is usually assumed to be not**

depreciating

- A Vehicle  
 B Plant  
 C Land  
 D Building
- viii. Cloth worth ₹ 1,500 used by the cloth manufacturer for his personal use should be debited to :**  
 A Purchases A/c  
 B Sales A/c  
 C Drawings A/c  
 D Cash A/c

Section-B: Descriptive Type Questions (Short Type)

- Q2: Answer all the Questions (8 x 4 =32)**
- i.** What do you mean by Assets? What are its types?  
**ii.** Distinguish between Debtors and Creditors?  
**iii.** Define the term “Goods”  
**iv.** Define “Bad debts”?  
**v.** What is meant by Rectifying Entry? Name two types of Errors.  
**vi.** What is Inventory Management? What do you mean by ABC Analysis?  
**vii.** What is Deferred Revenue Expenditure, how it is different from Pre paid Expenditure?  
**viii.** What do you mean by Financial Statements and who are its end users.

Section – C: Descriptive Type Questions (Medium Type)

Answer all the questions: (4 x 7=28)

- Q3.** Write down the rules of Debit and Credit for traditional classification of Accounts.

**OR**

What are the objectives of IFRS?

- Q4.** The bank passbook of M/S Anaya Fatimah showed a balance of ₹81,200 on March 31, 2024.  
 (a) Two cheques of ₹1,500 and ₹2,500 were deposited into the bank on March 31 but the bank gave credit for the same in April, 2024.  
 (b) There was also a debit in the passbook of ₹1,750 in respect of a

cheque dishonoured on 31.3.2024.  
 (c) Cheques issued before March 31, 2024, amounting to ₹20,100 had not been presented for encashment.  
 Prepare bank Reconciliation statement as on March 31, 2024.

**OR**

Define subsidiary books? Write down the different types of subsidiary books?

**Q5.** What do you mean by Trial Balance Discuss the main objectives and Limitations of Trial Balance.

**OR**

Zebrij & Co Purchased a Machinery on 1<sup>st</sup> July 2012 for ₹2,50,000 whose life was expected to be 10 years .its estimated scrap Value at the end of 10 years was ₹10,000.find the amount of depreciation to be charged to Profit& Loss A/C every year .Also calculate the rate on which depreciation is to be charged every year .

**Q6.** What is Profit& Loss A/c? How does it differ from Trading A/C?

**OR**

What is Balance sheet? State the uses of Balance sheet .

**Section – D: Descriptive Type Questions (Long Type)**

**Answer any two of the following: (2 x 14=28)**

**Q7.** What are the Basic Accounting Principles? Explain.

**Q8.** Record the following transactions in the Journal of Mr Sheeraz:

2024		
April	1 commence business with cash	1,00,000
	2 Purchased goods	20,000
	5 Purchased goods from Mehraj	10,000
	8 Purchased goods from faizal for cash	15,000
	16 Goods returned to Mehraj	1,000
	19 Sold Goods	18,900
	21 Sold Goods to Mehak	1,200
	22 Sold Goods to Hamid for cash	1,000
	23 Mehak returned 25% of Goods	
	25 Purchased Furniture	5,000

**Q9.** Journalise the following transaction, post them into ledger. The books are closed on 31<sup>st</sup> March every year.

2024 Mar 1	Aafreen commenced business with cash	2,50,000
4	Purchased goods for cash	40,000
6	Machinery Purchased for cash	6,000
15	Sold goods for cash	20,000
20	Afreen withdrew from business for her personal use	30,000
22	Paid rent	2,000
	Paid Electricity Bill	1,000
25	Received commission	600
28	Paid Salaries by Cheque	30,000
29	Deposited into Bank	20,000
31	Purchased stationery	500
	Paid Wages	200

**Q10.** Define the concept of Trading A/c and Profit & Loss A/c .Prepare a specimen of the Profit& Loss A/c.