

## B.B.A. Sem.-1 Examination

CC-102

## Financial Accounting

October-2024

Time : 2-30 Hours]

[Max. Marks : 52

Instruction: Show necessary working notes.

- Q.1 Difference Between: (14)
- 1) Capital Expenditure and Revenue Expenditure
  - 2) General Reserve and Provision

OR

- Q.1 (A) Discuss Advantages of Accounting in brief. (7)
- (B) Write Short Notes on: Rules of Debit and Credit. (7)
- Q.2 (1) From the following information of ABC Club, prepare Receipts and Payments Account for the year ending on 31-12-2023: (7)

Particulars	Rs.	Particulars	Rs.
Cash balance (1-1-2023)	4,000	Subscription Received	
Rent Paid	6,000	2022	1,000
Purchase of Investments	50,000	2023	44,000
Purchase of Building	20,000	2024	2,000
12% Loan taken	10,000	Interest Received	10,900
Salary Paid	4,800	Donation Received	6,000
		Sale of Sports Equipment	4,400
		Sale of Pasti	1,120

- (2) Following is the Receipts and Payments Account of Radhe Upvan Club for the year ending 31-12-2023: (7)

**Receipts and Payments Account**  
for the year ending on 31-12-2023

Receipts	Rs.	Payments	Rs.
To Cash Balance	3,000	By Purchase of	
To Entrance Fees	6,000	Investments	11,400
To Income from		By Billiard Table	12,000
Entertainment Programme	16,000	By Rent	2,500
To Subscriptions		By Salary	14,000
2022	800	By Expenses of	
2023	20,000	Entertainment	
2024	1,000	Programme	6,000
To Interest on Investment	4,000	By Stationery Expenses	4,000
To Sale of old Furniture	300	By Electric fittings	6,000
(Book Value Rs. 800)		By Closing Cash balance	7,700
To Donations	12,000		
To Sale of old newspapers	500		
	<b>63,600</b>		<b>63,600</b>

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From the above information and following adjustments, prepare Income and Expenditure Account for the year ended 31-12-2023:

- 1) 50% of entrance fees is to be capitalized.
- 2) Salary unpaid Rs. 2,000.
- 3) There are 300 members of the club and they pay Rs. 80 as subscription per year.
- 4) Interest due but not received on investments Rs.600.

OR

- Q.2 (A) Explain difference between the Final Account of trading and non trading concerns. (7)
- (B) Discuss difference between Receipts & Payments a/c and Income & Expenditure a/c. (7)
- Q.3 From the Trial Balance of Mr. Nisarg as on 31-3-24, prepare a Trading and Profit and Loss account for the year ending on 31-3-24 and a Balance Sheet as on that date: (14)

**Trial Balance**

Debit Balances	Rs.	Credit Balances	Rs.
Cash in hand	6,000	Capital	4,00,000
Purchases	6,00,000	4% Bank Loan	1,00,000
Opening stock	1,75,000	Bills Payable	1,10,000
Sundry Debtors	2,50,000	Sundry Creditors	1,20,000
Machinery	3,00,000	Sales	10,00,000
Furniture	75,000	Bad Debts Reserve	6,000
Bills Receivable	1,00,000		
Sundry Expenses	50,000		
Wages	80,000		
Salaries	1,00,000		
	<b>17,36,000</b>		<b>17,36,000</b>

**Additional Information:**

- 1) Closing Stock Rs.2,00,000.
- 2) Provide outstanding Liabilities: Sundry Expenses Rs.10,000; Wages Rs.15,000; Salaries Rs.20,000.
- 3) Depreciation on Machinery 5%, on Furniture 10%.
- 4) Write off Rs.2,500 as bad debts.
- 5) Create bad debts reserve 2.5% on Sundry Debtors.

OR

- Q.3 (A) Give the specimen of Trading a/c. (7)
- (B) Write a difference between Trial Balance and Balance Sheet. (7)
- Q.4 Do as Directed (Any Five) (10)
- 1) Accounting means both an art and a science. (True/False)
  - 2) Capital = Assets-- \_\_\_\_\_. (Liabilities/ Profit)

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- 3) Every year depreciation is calculated by one method only as per \_\_\_\_\_ concept. (Consistency/Cost)
  - 4) Receipts and Payments a/c is just like \_\_\_\_\_. (Cash a/c/ Profit & Loss a/c)
  - 5) Subscription received in advance during the year will be treated as \_\_\_\_\_. (a liability/ an asset)
  - 6) Interest on investment is \_\_\_\_\_ for the business. (Income/ Expense)
  - 7) Plant & Machinery is a \_\_\_\_\_. (Fixed Asset/ Current Asset)
  - 8) Creditors is shown as current liabilities. (True/False)
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