

PARUL UNIVERSITY
FACULTY OF MANAGEMENT
BBA , Winter 2018 – 19 Examination

Semester: 1
Subject Code: 06101101
Subject Name: Financial Accounting

Date: 26/11/2018
Time: 10:30am to 1:00pm
Total Marks: 60

Instructions

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1 Do as Directed.**A). Multiple choice type questions/Fill in the blanks. (Each of 1 mark) (05)**

1. Accounting concept is _____
 (a) Theory of accounting (b) Procedures of accounting
 (c) Rules of accounting (d) Practice of accounting
2. The income received in advance is _____
 (a) Asset of the enterprise (b) Income of the enterprise
 (c) Liability of the enterprise (d) Expense of the enterprise
3. The depreciation charge is only to the tune of _____
 (a) Convention of consistency (b) Time period concept
 (c) Business entity concept (d) Convention of conservatism
4. Rent paid in advance is to be effected _____
 (a) Deduct the amount from the Original rent paid – P&L A/c
 (b) Include the rent paid in advance as an item of current asset- Balance sheet
 (c) Deduct the rent paid in advance in the Trading A/c
 (d) Both (a) & (b)
5. Tally is _____ Software
 (a) Computerize Accounting (b) Manual Accounting
 (c) Operating System (d) Language

B). Define the following. (Each of 1 mark) (05)

1. Accounting
2. Revenue
3. Capital expenditure
4. Tally
5. Trial Balance

C). Direct questions. (Each of 1 mark) (05)

1. State the meaning of 'Non- Profit' Organizations.
2. What is Capital Fund?
3. List the salient features of Tally.
4. List out any four classification of assets.
5. How journal is different from ledger?

Q.2 Answer the following questions.

- A).** Mention what are the types of Tally ERP 9 vouchers? Also give the shortcut keys for creating these vouchers? (07)
- B).** Explain the statement: "Receipt and Payment Account is a summarised version of Cash Book" and provide its format. (08)

Q.3 Answer the following question.

A). Define accounting and explain the accounting concepts. (07)

B). From the following data, prepare a profit and loss a/c for the year 2016-17 (08)

Particulars	Rs.	Particulars	Rs.
Drawings	10,000	Capital	30,000
Purchases	30,000	Purchase returns	1,000
Sales Returns	5,000	Sales	60,000
Carriage in	2,000	Wages outstanding	2,000
Carriage out	3,000	Rent received	1,000
Depreciation on Plant	4,000	Reserve for doubtful debts	1,000
Plant account	20,000	Interest (Cr)	5,000
Salaries & wages	3,000	Sundry creditors	6,000
Bad debts	2,000	Loans	38,000
Premises	20,000		
Interest	5,000		
Stock 1.4.16	25,000		
Sundry debtors	15,000		
	1,44,000		1,44,000

Adjustment:

(a) Stock on 31-3-96 was Rs.40,000. A fire broke-out in the godown and destroyed stock worth Rs.5,000. Insurance company had accepted the claim in full.

(b) Provide for bad debts @ 10% and provide for discount on debtors @ 5% and on creditors @ 10%

(c) Depreciate buildings at the rate of 15% p.a.

(d) Rent outstanding amounted to Rs.1,000

Q.4 Attempt any two questions. (Each of 7.5 mark)

(15)

1. Following Receipt and Payment Account was prepared from the cash book of Delhi Charitable Trust for the year ending December 31, 2015

Receipt and Payment Account for the year ending December 31, 2015

Receipts	Amount (Rs)	Payment	Amount (Rs)
Cash in hand (Opening)	11,500	Rent and taxes	3,200
Cash at bank	12,600	Salary	6,000
Donation	9,000	Printing	600
Subscription:	13,000	Postage	300
Legacies	1,800	Advertisements	4,500
Interest on investment	4,500	Insurances	2,000
Sale of old newspapers	200	Furniture	21,600
Investment	23,000	Charity	11,500
		Cash in hand	9,900
		Cash at bank	16,000
	75,600		75,600

Prepare Income and expenditure account for the year ended December 31, 2015, and a balance sheet as on that date after the following adjustments:

- (a) It was decided to treat one-third of the amount received on account of donation as income.
 - (b) Insurance premium was paid in advance for three months.
 - (c) Interest on investment Rs.1,100 accrued was not received.
 - (d) Rent Rs.600: salary Rs.900 and advertisement expenses Rs.1,000 outstanding as on December 31, 2015
-
2. What is tally and explain various features of tally ERP 9.
 3. Differentiate between financial accounting and book keeping.
 4. Define Balance sheet and prepare format of balance sheet and profit and loss account.