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(20518)

Roll No.....

BBA-II Sem.

18046

B.B.A. Examination, May-2018

PRINCIPLES OF ACCOUNTING

(BBA-206)

(New)

Time : Three Hours]

[Maximum Marks : 75

Note : Attempt questions from **all** Sections as per instructions. The use of calculator is allowed.

Section-A

(Very Short Answer Questions)

Note : Attempt all the **five** questions of this section. Each question carries **3** marks. Very short answer is required not exceeding 75 words.

3×5=15

P.T.O.

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1. What is goodwill? What are the methods of valuation of goodwill? 3
2. What is instalment payment system? 3
3. What do you mean by Royalty? 3
4. Distinguish between branch and department. 3
5. What do you mean by consignment? 3

Section - B

(Short Answer Questions)

Note : This section contains **three** questions, attempt any **two** questions. Each question carries $7\frac{1}{2}$ marks. Short answer is required not exceeding 200 words.

$$7\frac{1}{2} \times 2 = 15$$

6. How does a partner retire from the firm? How is the amount payable to the retiring partner calculated? $7\frac{1}{2}$
7. Discuss Accounting of Non-Trading Institutions. Give a specimen of Receipts and Pay-

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ment Account. $7\frac{1}{2}$

8. Output of a company are as follows :

Year.	I	II	III	IV
Production (in tons)	4,000	6,000	24,000	20,000

Rate of Royalty is 1.50 per ton. Minimum Rent is Rs. 15,000 per year. Short working can be recouped during first four years of lease. Prepare analysis table and land lord account. $7\frac{1}{2}$

Section-C

(Detailed Answer Questions)

Note : This section contains **five** questions, attempt any **three** questions. Each question carries 15 marks. Answer is required in detail. $15 \times 3 = 45$

9. What accounting standard issued by the In-

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stitute of Chartered Accounts of India. Explain any five. 15

10. Explain the difference between Hire purchase system and instalment payment system. Give journal entries in the books of Hire Purchaser under Hire purchase system. 15

11. A limited purchased a machine for cash Price of Rs. 48,000 from B Limited on instalment payment system on 1st January 2009. Its payment was made as follows : An amount of Rs. 14000 was paid on delivery and the balance was to be paid in three instalments of Rs. 14,000 each at the end of each year. Vendor charges 10% per annum interest on yearly balances. Prepare necessary accounts in the books of A Limited. 15

12. Show what entries would be passed in Head

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Office books to record the following transactions, Head Office closes its accounts on 31st December :

(i) Goods amounted to Rs. 500 transferred from Calcutta Branch to Meerut Branch.

(ii) Depreciation of Meerut Branch Fixed Assets Rs. 1000 which such accounts are opened in the Head Office books.

(iii) A remittance of Rs.3000 made by the Meerut Branch to Head Office on 26th December and received by H.O. on 4th January.

(iv) Goods amounting to Rs. 5,000 sent by the Head Office to Meerut Branch on 20th December and received by the branch on 15th January.

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(v) The Calcutta branch collected Rs. 2000 from a customer of the Head Office.

15

13. A, B and C are partners sharing profits and losses as to 2:2:1. Their Balance sheet as on 30th September, 2017 is as follows :

Liabilities	Rs.	Assets	Rs.
Sundry creditors	4,000	Bank	5,000
Capital A/c		Debtors	4,000
A 20,000		Stock	15,000
B 10,000		Furniture	2,000
C 7,000	37,000	Machinery	15,000
	41,000		41,000

They decided to dissolve the firm. The assets realised as follows :

Machinery Rs. 16,100, furniture Rs. 1,000, stock Rs. 14,000, Debtors Rs. 3,500, creditors are paid at a discount of 5%. A agreed

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to bear all the realisation expenses for which he was remunerated Rs. 1,200. Actual expenses amounted to Rs. 2000 which was withdrawn by him from the firm. There was unrecorded asset of Rs. 500 which was taken over by B, for Rs. 400. Prepare: 15

- (1) Realisation A/c
- (2) Partner's capital A/c
- (3) Bank Account.

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(iii) Bills collected during the year 2011-12 6,00,000

(iv) Bills dishonoured and returned during the year 2011-12 10,000

Prepare the concerned Ledger Accounts for the year 2011-12. 15

12. On 1st April, 2008 the Raniganj Collieries Ltd. took a piece of land on lease. A minimum rent of ₹ 2,000 for 1st year, ₹ 5,125 for 2nd year and ₹ 8,625 per annum for the 3rd year and onwards is to be paid merging into a royalty of ₹ 2 per tonne on coal raised, with right to recoup shortworkings over the first three years of the lease. Output for first five years was as follows :

Year	Output (in tonnes)
2008-09	250
2009-10	2,500
2010-11	4,500
2011-12	3,600
2012-13	4,000

Show Shortworkings Account in the books of Raniganj Collieries Ltd. 15

13. What do you understand by goodwill? Explain the circumstances in which question of goodwill arises in partnership. 5+10

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BBA-II Sem.

Roll No.

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B.B.A. Examination, May 2016

PRINCIPLES OF ACCOUNTING

(BBA-206)

(New)

Time : Three Hours [Maximum Marks : 75]

Note : Attempt questions from all Sections as per instructions. The use of calculator is allowed.

Section-A

(Very Short Answer Questions)

Attempt all the five questions of this Section.

Each question carries 3 marks. Very short answer is required not exceeding 75 words. $3 \times 5 = 15$

Indicate the following statement is True or False :

1. "The inventory under AS-2 is valued on the basis of cost price or current replacement cost, whichever is less." 3
2. "Non-cash items do not appear in Income and Expenditure Account." 3

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3. "The consignee passes no entry in his books for unsold stock of the consignor lying with him." 3

Select the best alternate :

4. If nothing is given, what is the percentage maintained by marine insurance companies for reserve for unexpired risk? 3
- (a) 40%
(b) 50%
(c) 70%
(d) 100%.

5. What salary is paid to active partner, when partners are not agreed? 3

Section-B
(Short Answer Questions)

This Section contains three questions, attempt any two questions. Each question carries 7½ marks. Short answer is required not exceeding 200 words. 7½×2=15

6. Calculate reserve for unrealized profit when goods are transferred by department A to department B at profit on 25% on cost. Goods supplied by department A to department B for ₹40,000. 7½
7. Explain the difference between Hire Purchase System and Instalment Payment System. 7½
8. How would you determine whether a group of persons does or does not constitute a partnership? 7½

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Section-C
(Detailed Answer Questions)

This Section contains five questions, attempt any three questions. Each question carries 15 marks. Answer is required in detail. 15×3=45

9. Name various accounting standards issued by the Institute of Chartered Accounts of India. Explain any four. 10+5
10. Ameer, Garib and Chatur enter into joint venture sharing the profit in 5 : 3 : 2 respectively. They contributed amount and received by the different ventures are given below :

	Ameer (₹)	Garib (₹)	Chatur (₹)
Goods Supplied	40,000	20,000	-
Other Expenses	6,000	2,000	4,000
Sales	-	14,000	80,000
Stock taken over	-	4,000	14,000

Show necessary accounts in the books of Ameer under Memorandum Joint Venture Account. 5+5+5

11. The following are the particulars relating to Bharat Bank Ltd. for the year 2010-11 :

- ₹
- (i) Bills for collection as on 1st April, 2011 1,00,000
- (ii) Bills received for collection during the year 2011-12 10,00,000

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Roll No.

BBA-II Sem.

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B. B. A. Examination, May 2017

Principles of Accounting

(BBA-206)

(New Course)

Time : Three Hours]

[Maximum Marks : 75

Note : Attempt questions from all Sections as per instructions. Use of calculator is allowed.

Section-A

(Very Short Answer Questions)

Answer all the five questions. Each question carries 3 marks. Very short answer is required not exceeding 75 words.

3×5=15

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1. When accounting standards board was constituted in India by institute of Chartered Accounts of India :
 - (a) October, 1975
 - (b) April, 1977
 - (c) June, 1976
 - (d) November, 1979.
2. Goods sent on consignment account is a :
 - (a) Real account
 - (b) Nominal account
 - (c) Personal account.
3. If nothing is given, what is the percentage maintained by marine insurance companies for reserve for unexpired risk ?
 - (a) 40%
 - (b) 50%
 - (c) 60%
 - (d) 100%
4. When goods sent by the head office to the branch, but goods not received by the branch to the closing date of accounting year, then what entry will be in the books of branch ?

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5. On dissolution of the firm, realization account is a :
 - (a) Memorandum account
 - (b) Real account
 - (c) Personal account
 - (d) Nominal account.

Section-B

(Short Answer Questions)

- Answer any *two* questions out of the following three questions. Each question carries $7\frac{1}{2}$ marks. Short answer is required not exceeding 200 words. $7\frac{1}{2} \times 2 = 15$
6. Discuss different methods in preparing the accounting standards suggested by accounting standard board ?
 7. If a hire-purchaser acquires ownership of asset before payment of some instalments, he is entitled for some rebate. Write the formula that you would apply to calculate the rebate. Give an example.

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8. Geetika, Sonika and Monika are partners sharing profits in the ratio of 5 : 3 : 2. Monika retires and the goodwill of the firm is ₹ 3,00,000. Geetika and Sonika decide to share profits in future in the ratio of 2 : 1. Give journal entry for goodwill, when goodwill account is not be opened in the books.

Section-C

(Detailed Answer Questions)

Answer any *three* questions out of the following five questions. Each question carries 15 marks. Answer is required in detail. $15 \times 3 = 45$

9. Name various accounting standards issued by the institute of Chartered Accounts of India. Explain any four. $10 + 5$
10. From the following receipts and payments account of Anand Health Club, prepare income and expenditure account for the year ended as on 31st March, 2010 and its balance sheet as on that date :

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Receipts	₹	Payments	₹
Subscriptions	12,000	Salaries	2,000
Entrance fees	1,000	Expenses for repair	500
Donations	5,000	Stationary expenses	150
Cash at Bank	10,000	Billiard Table	8,000
Cash in Hand	4,000	Insurance premium	200
Sale of old newspapers	150	Drama expenses	500
Sale of Drama Tickets	1,050	Purchase of investment	6,000
Interest on investments	100	Misc. Expenses	500
Interest received from bank	400	Furniture	6,000
		Cash in hand (closing)	2,650
		Cash at Bank (closing)	7,200
	33,700		33,700

Additional information :

- Insurance premium outstanding ₹ 40
- Misc. Expenses prepaid ₹ 90
- 8% interest has accrued on investment for 5 months
- 50% of donation is to be capitalized
- Entrance fees are to be treated as revenue income.
- Billiard table costing ₹ 30,000 was bought during the last year and ₹ 22,000 were paid for it.
- Subscription in arrear for 2010 ₹ 900 and subscription in advance for 2011 ₹ 350. 15

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11. Distinguish between Branch and Department. What entries are made in the books of the Head Office to incorporate the Trial Balance received from a Branch? Are there more than one ways to make these entries? If so, give them. 4+6+5
12. The Rathi Coal Company takes a lease of a coal mine for a term four years from 1st April, 2008 paying a minimum rent of ₹ 40,000 per annum merging into a royalty of ₹ 2 per tonne of coal raised. The lease contains a provision to the effect that if the minimum rent paid in any year exceeds the royalties for the year, the amount of the excess may be recouped by the coal company out of the royalty payable, in the following year only. Coal was raised as follows :

Year	2008-09	2009-10	2010-11	2011-12
Coal (tonnes)	2,000	16,000	22,000	35,000

Give the journal entries necessary to record these transactions in the books of the Rathi Coal Company.

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13. A, B and C are partners, sharing profits and losses in proportion of their capitals, which on 31st March, 2011 stood at ₹ 3,000, ₹ 2,000 and ₹ 1,000 respectively. The firm's liabilities on that date amounted to ₹ 3,000 apart from a contingent liability for ₹ 600 and not so far brought into the accounts which also matured for payment in addition. C had loaned ₹ 600 to the firm. They decide to dissolve partnership on 1st April 2011 and the assets realized at ₹ 14,400. Give the balance sheet as on 31st March, 2011 and the ledger accounts to close the books of the firm. 3+12

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Total Questions : 13]

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B.B.A. IInd Semester Examination, May-2019

PRINCIPLES OF ACCOUNTING

(BBA-206)

Time : 3 Hrs.]

[M.M. : 75

Note :- Attempt all the Sections as per instructions.

Section-A

(Very Short Answer Type Questions)

Note :- Attempt all the five questions. Each question carries 3 marks. Very short answer is required not exceeding 75 words.

1. Discuss the methods of valuation of Goodwill.
2. What is Hire Purchase System ?

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(1)

Turn Over

3. What do you mean by Short working ?
4. Discuss the concept of GAAP.
5. What is Joint Venture ?

Section-B

(Short Answer Type Questions)

Note :- This section contains three questions. Attempt any *two* questions. Each question carries 7½ marks.

Short answer is required not exceeding **200** words.

6. Name various accounting standards issued by the Institute of Chartered Accountants of India. Explain any *four*.
7. Jolly and Company took a lease of coal mine from Panjab Minerals for a period of 30 years with royalty of ₹ 5 per tonne. Minimum rent was ₹ 44,000 per year with a right to recoup short workings during the first three years of the lease.

The annual output is as follows :

Year	2017	2018	2019
Output in tonnes	2,000	3,600	9,000

Journalise above transactions in the books of Jolly and Company.

8. What do you mean by Consignment ? Give journal entries in the books of Consignor and Consignee.

Section-C

(Long Answer Type Questions)

Note :- Attempt any *three* questions out of the following five questions. Each question carries 15 marks.

Answer is required in detail.

9. What do you mean by Instalment Payment System ? How is it differ from Hire Purchase System ? Give journal entries in the books of purchaser and vendor under instalment payment system.

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(3)

Turn Over

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(2)



10. X Company has its Branch at Lucknow. Goods are invoiced to this branch at 20% profit on invoice price. From the following details prepare Branch Account in the books of Head Office showing

Branch profit :	₹
Goods supplied to Branch at invoice price	38,000
Wages paid by Head Office	1,520
Rent paid by Head Office	1,800
Sundry expenses paid by Head Office	200
Cash sales	24,800
Cash received from Debtors	10,000
Credit sales	11,200
Discount allowed to customers	400
Goods spoiled	100
Goods returned by customers	200

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(4)

11. Rajat purchased a machine on 1st Jan., 2013 from Umang on Hire Purchase System. Cash price of machine is ₹ 81,700. Payment of machine is to be made in three equal annual instalments of ₹ 30,000 each. Vendor charges interest @ 5% p.a. Rajat charges depreciation @ 25% per annum on WDV of machine. Prepare necessary accounts in the books of Rajat.

12. Under what circumstances partnership firm is dissolved ? What journal entries will you pass in case of dissolution of a partnership firm ?

13. Balance sheet of A, B and C, who shared profits and losses in the ratio of 6 : 5 : 4 respectively, as on 31st March, 2018 was as under :

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(5)

Turn Over

Liabilities	(₹)	Assets	(₹)
Sundry creditors	15,000	Land and building	50,000
Bills payable	7,000	Furniture	7,500
Capitals :		Stock	38,000
A 40,000		Debtors	15,000
B 35,000		Bills Receivable	7,500
C <u>25,000</u>	1,00,000	Cash in hand	4,000
	1,22,000		1,22,000

It was decided to admit D on 1st April, 2018 and given him 1/10 share in profits according to the following terms :

- (a) The new partner would brings ₹ 15,000 as his share in capital and ₹ 7,000 as goodwill in cash which will directly be taken by the old partners.

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(6)

- (b) Stock would be revalued at ₹ 34,200 and furniture at ₹ 6,600.
- (c) Provision for bad debts to be made ₹ 1,300.
- (d) Land and building to be appreciated by ₹ 15,000.

Pass necessary journal entries to record the above transactions. Prepare necessary Ledger Account and New Balance Sheet of A, B, C and D.

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