



K21U 2129

Reg. No. : .....

Name : .....



**III Semester B.B.A./B.B.A. R.T.M. Degree (CBCSS – Sup./Imp.)**  
**Examination, November 2021**  
**(2015-'18 Admissions)**  
**Core Course**  
**3B04 BBA/BBA (RTM) : FINANCIAL ACCOUNTING**

Time : 3 Hours

Max. Marks : 40

**SECTION – A**

Answer **all** questions. **Each** question carries  $\frac{1}{2}$  mark.

**(4×½ =2)**

1. What is balance sheet ?
2. Give an example for representative personal account.
3. What do you mean by partnership deed ?
4. List an advantage of preference share to the holders.

**SECTION – B**

Answer **any four** questions. **Each** question carries **1** mark.

**(4×1 =4)**

5. What is simple journal entry ?
6. List the rule for journalising real account transactions.
7. Discuss about money measurement concept.
8. Explain the meaning of re-issue of shares.
9. Explain the concept of partnership.
10. What do you mean by cumulative preference share ?

P.T.O.



## SECTION – C

Answer **any six** questions. **Each** question carries **3** marks.

(6×3 =18)

11. Write short note on accounting conventions.
12. Briefly discuss about the objectives of accounting.
13. What are the differences between Trial balance and Balance sheet ?
14. Discuss about the features of partnership.
15. What are the different types of preference shares ?
16. John, Raghu and Rahim set up a partnership firm on April 1, 2019. They contributed ₹ 50,000, ₹ 40,000 and ₹ 30,000, respectively as their capitals and agreed to share profits and losses in the ratio of 3:2:1. John is to be paid a salary of ₹ 1,000 per month and Raghu, a commission of ₹ 5,000. It is also provided that interest to be allowed on capital at 6% p.a. the drawings for the year were John ₹ 6,000, Raghu ₹ 4,000 and Rahim ₹ 2,000. Interest on drawings of ₹ 270 was charged on John's drawings, ₹ 180 on Raghu's drawing, and ₹ 90 on Rahim's drawing. The Net Profit as per Profit and Loss account for the year ending March 31, 2020 was ₹ 35,660.

Prepare the Profit and Loss Appropriation Account to show the distribution of profit among the partners.

17. Explain the following terms :

- a) Capital expenditure.
- b) Nominal account
- c) Balance sheet.
- d) Current liability.

18. Give journal entries for the following transactions

		₹
2019 Jan. 21	Purchased furniture for cash	3,000
22	Sold machinery for cash	6,000
25	Paid salary	1,000



SECTION – D

Answer **any two** questions. **Each** question carries **8** marks.

(2×8 =16)

19. Discuss in detail the objectives and users of financial accounting.

20. The following is the Trial balance of Shri. Jeevan as on December 31<sup>st</sup> 2019.

	Dr (₹)	Cr (₹)
Plant and Machinery	20,000	
Land and Building	35,000	
Furniture	5,000	
Advertisement	3,000	
Purchases	75,000	
Sales		1,25,000
Discount	3,000	2,000
Returns	4,000	1,500
Rent		1,500
Bills Receivable	8,000	
Bills Payable		5,000
Opening Stock	24,000	
Duty and clearing charges	4,000	
Factory expenses	7,000	
Electricity and water	3,250	
Office expenses	7,500	
Wages	6,500	
Carriage	3,000	





Sales expenses	4,250	
Debtors and Creditors	18,000	12,000
Cash	2,000	
Capital		85,500
	<b>2,32,500</b>	<b>2,32,500</b>

You are required to prepare Trading and Profit and Loss Account for the year ending 31<sup>st</sup> December 2019 and a Balance sheet as on that date after considering the following.

- 1) Depreciate : Plant and machinery at 10% : Land and Building at 5% and Furniture at 20%.
- 2) Wages outstanding amounts to ₹ 1,500
- 3) Rent accrued, but not received amounts to ₹ 500
- 4) 1/3 of advertising paid is for the next year.
- 5) Closing stock was valued at ₹ 30,000.

21. Star Limited issued the following debentures

- a) 20,000, 12% debentures of ₹ 100 each issued at par and redeemable at par.
- b) 30,000, 10% debentures of ₹ 100 each issued at ₹ 105 each and redeemable at par.
- c) 50,000, 14% debentures of ₹ 100 each, issued at ₹ 95 each and redeemable at par.

Pass necessary Journal entries to record the above issue and redemption of debentures.

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