

Roll No.

56506

MBA 5 Yr. 1st Sem. (N.S.)
Examination – February, 2022

FINANCIAL ACCOUNTING

Paper : 501P-6

Time : Three Hours]

[Maximum Marks : 80

Before answering the questions, candidates should ensure that they have been supplied the correct and complete question paper. No complaint in this regard, will be entertained after examination.

Note : Section-A is compulsory. Attempt any four questions from Section-B by selecting one question from each unit. Each question carries equal marks.

SECTION – A

- ✓ (a) What is accounting assumption ?
- (b) What is ledger ?
- (c) Explain compensatory errors.
- (d) Why subsidiary books are prepared ?
- (e) What is bank pass book ?
- (f) Explain the adjustment of goods sold on approval basis.

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P. T. O.

- (g) Define diminishing balance method of depreciation.
- (h) What is an entrance fee ?

SECTION – B

UNIT – I

- ✓ 2. What is financial accounting? Discuss its nature and scope and also name the beneficiaries of preparing financial accounts.
3. What do you mean by accounting principles? Explain the basic principles of accounting.

UNIT – II

4. What is trial balance? Explain its objectives.
- ✓ 5. Pass journal entries to rectify the following errors and also prepare suspense account :
- (i) Material from store Rs. 6,000 and wages Rs. 3,000 had been used in making tools and implements for use in own factory, but no adjustments were made in the books.
- (ii) Wages paid for the construction of personal house, debited to wages account Rs. 13,000.
- (iii) Goods amounting to Rs. 660 sold to W, were correctly entered in the sales book but posted to W's account as Rs. 760. The total sales for the month were overcast by Rs. 1,000.
- (iv) Goods worth Rs. 130 returned by G were entered in the sales book and posted there from to the credit of G's personal account.
- (v) Sales return book was overcast by Rs. 100.

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(vi) Bills receivable received from H, Rs. 1,600 posted to the credit of Bills Payable Account and credited to him.

UNIT – III

5. Prepare Trading, Profit & loss Account and Balance Sheet from the following particulars as on 31st December 2018 :

Particulars	Dr. (in Rs.)	Cr. (in Rs.)
Capital		25,000
Building	30,000	
Furniture	2,640	
Scooter	4,000	
Returns Inwards and Outwards	2,300	1,600
Stock(1 – 1-2018)	8,000	
Purchases and Sales	33,800	56,040
Bad Debts	300	
Carriage Inward	700	
General Expenses	1,200	
Bad Debts Provision		700
Debtors and Creditors	3,000	8,000
Bank Loan		5,000
Interest on Bank Loan	300	
Commission		900
Insurance and taxes	2,000	
Scooter expenses	2,600	
Salaries	4,400	
Cash in hand	2,000	
Total	97,240	97,240