BBAbaMJ204x-2C **Seat No :_________**

B.B.A. Semester - 2 (NEP-2020) Examination
JUNE – 2024
Business Accounting (Major-4)

Time: 2:00 Hours **Marks: 50**

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate marks.

Que.1 Write a short note (any two) (10)

(A) Objectives of the Accounting Standards

(B) Preparation and procedure for Formulating Accounting Standards

(C) Accounting Standards Boards of India

(D) Benefits of Accounting Standards

Que.2 The Gopinathaji Trading Company discloses the following information of the month of August, 2023: (10)

Date 2023	Particulars	Quantity	Rate
Aug.1	Beginning Inventory	600 Units	Rs. 5 each
Aug.10	Sales	400 Units	Rs. 12 each
Aug.11	Purchases	1600 Units	Rs. 6 each
Aug.15	Sales	1000 Units	Rs. 12.50 each
Aug.20	Purchases	1000 Units	Rs. 6.50 each
Aug.27	Sales	600 Units	Rs. 13.50 each

Compute the value of closing stock by LIFO method.

OR

Que.2 Following data has been taken from Madanmohan & Co. During the month of March inventory is as under.

Date	Particulars	
1-3-2020	Opening Stock	2500 Units @ Rs. 8 per Unit
7-3-2020	Purchase	7500 Units @ Rs. 10 per Unit
12-3-2020	Purchase	9500 Units @ Rs. 8 per Unit
21-3-2020	Purchase	8000 Units @ Rs. 8 per Unit
28-3-2020	Purchase	2000 Units @ Rs. 8 per Unit
31-3-2020	Closing Stock	3500 Units

Compute the value of closing stock by FIFO method.

Que.3 Following is the statement of receipts and payment of Vrudavanvihari charitable institution for the year 2015-16. (10)

Receipts	Rs.	Payment	Rs.
To Balance:		By charities	14,500
Cash of deposits 5000		By salaries	2600
Cash on current A/c 2400		By rent & taxes	1200
Cash in hand 300	7700	By printing	300
To Donation	8000	By postage	100
To subscription	7000	By advertising Exp.	250
To furniture sold	15000	By furniture	750
To legacies	3000	By insurance	750
To interest on investment	9500	By investment	14000
To interest on deposits	150	By advance Building	5000
To sales of old news paper	75	By balance:	
		Cash of deposits	8000
		Cash on current A/c	2250
		Cash in hand	725
	50,425		50,425

Prepare the income and expenses account for the year ended 31st March, 2016 after considering the following:

(1) It was decided to treat one–half of the amount received on Account of Donation is Revenue and legacies is total capital income.

(2)

	On 1-4-2015	On 31-3-2016
Rent due	250	300
Prepaid rent	350	200
Salaries due	150	450
Advertisement due	100	150
Subscription due	200	400
Subscription paid in advance	400	500

(3) Interest on investment Rs. 400 though accrued was not actually received.

OR

Que.3 From the following particulars and summary cash book of Akshar Prepare income and expenditure account for the year ended 31st December 2015.

Particular	Rs.	Particular	Rs.
To Balance B/d		By Salaries	3600
Cash at Bank 1455		By rent paid	750
Cash at Office 150	1605	By stationery	1050
To Subscription		By postage	150
(Including Rs. 550 for 2014)	6000	By Cycle (New)	830
To Interest on investment	560	By Fixed Deposit Dec. 31	1500
To bank Interest	75	By Balance C/d	
To sale proceeds of cycle	250	Cash at Bank 525	
		Cash at office 85	610
	8490		8490

Subscriptions Due for the year are Rs. 400 and received in advance for the year 2016 are 750.
Written down value of cycle sold was Rs. 320. Provide depreciation at 10% on new cycle.

Que.4 There was a fire in the godown of Zenith on 15-03-2016. Stock was destroyed except stock of Rs. 5760 by fire. Prepare claim statement from the following information. (10)

Particulars	2013	2014	2015	2016
Purchases	1,73,440	1,79,200	2,06,400	89,600
Sales	2,56,000	2,40,000	2,88,000	96,000
Wages	38,400	16,000	20,800	9,600
Depreciation	12,800	12,800	11,200	3,200
Opening Stock	88,000	70,400	52,800	17,600

Stock is valued higher by 10%.

OR

Que.4 The Ajendra Pande traders had taken insurance policy for stock of Rs. 1,60,000. On 31 October, 2015 much of the stock was destroyed due to fire. Goods worth Rs. 40,000 were salvaged. The following information is obtained from the books of the fire.

Particulars	Rs.
Stock as on 1^{st} April, 2015	60,000
Purchases from 01-04-2015 to 31-10- 2015	300,000
Sales from 01-04-2015 to 31-10-2015	2,00,000
Commission to purchase manager on purchases at	3%
Rate of Gross Profit (on Sales)	30%

Ajendra Pande traders had incurred special expenses of Rs. 3,000 for putting out the fire. Find out the amount of claim for presenting to insurance company.

Que.5 Ram and Shyam are carrying on a Sahajanand Commercial Institute in partnership. Half of the profit they share equally and balance in the ratio of their capital. From the Following Trail Balance and given Adjustments, prepare profit and loss Account for the year ending 31-3-2016, and the Balance Sheet as on that date. (10)

Trial Balance as on 31-3-2016

Accounts	Dr. Rs.	Cr. Rs.
Capital and drawings of Ram	10,000	60,000
Capital and drawing of Shyam	12,000	40,000
Salary	30,000	-
Rent	5,000	-
Remington type writer machines	2,00,000	-
Tuition fees	-	105000
Investment in share	20,000	-
Dividend on shares	-	2,000
Rent of type writer machines	-	3,000
Repairing of type writer machines	3,000	-
Stationery	2,500	-
Sunday expense	1,500	-
Furniture	15,000	-
Creditors	-	40,000
Taxes	3,500	-
Post Office Saving account	5,000	-
Bank balance	12,000	-
Cash balance	4,500	-
Insurance Premium	1,000	-
Loan of Finance Corporation	-	75,000
	3,25,000	3,25,000

Adjustments:

(1) Tuition fees yet to be received are Rs. 10,000.
(2) Depreciation on Type Writer machine is to be Provided at 5%.
(3) Interest at 5% is to be given on Finance Corporations Loan.
(4) Shyam is entitled to 5% commission on the net profit after charging his Commission.
(5) Partners capital are entitled for 5% interest and interest is to be recovered on drawings as under: Ram Rs. 500 and Shyam: Rs. 610.

OR

Que.5 Raj and Kumar are partners of a firm. They share 60% profit in to proportion of their capital and the remaining profit in the proportion of 2:1. From the Trail Balance as on 31-3-2016 and adjustments, Prepare the partners current account, profit and loss appropriation account and Balance Sheet of Firm.

Trial Balance as on 31-03-2016

Name of Accounts	L.F	Debit Rs.	Credit Rs.
Capital – Drawing – Raj		40,000	1,20,000
Capital – Drawing – Kumar		12,000	80,000
Current Account – Raj		-	8,000
Current Account – Kumar		12,000	-
Profit and loss Account		-	1,60,000
Stock (31-3-2016)		72,000	-
Machines		80,000	-
Motor Car		1,00,000	-
Prepaid Insurance Premium		3,200	-
Building		1,60,000	-
Debtors and Creditors		80,000	1,28,000
Cash and Bank Balance		4,800	20,000
Bills payable		-	14,000
Mortgage Loan		-	1,00,000
Goodwill		40,000	-
Wages Outstanding		-	2,800
Rent receivable		1,600	-
Commission received in advance		-	800
Bad debts reserve		-	8,000
Patents		12,000	-
Furniture		24,000	-
		6,41,600	6,41,600

Adjustments:

(1) Calculate 6 % interest on capital and 10% on Drawings.
(2) Provide 10% on Opening Balance of the Current Account.
(3) A monthly salary of Rs. 1,800 is payable to Kumar.
(4) Kumar is entitled to receive 10% commission on the profit after giving the treatment of the above mentioned adjustments.

****