647510 **BBAbaMJ204x-2C** **Seat No :_________**

B.B.A. Semester - 2 (NEP-2020) Examination
MARCH/APRIL-2026
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 Define Accounting Standards and explain in detail its objectives and benefits. (10)

OR

Que.1 Describe in detail the process of preparation of Accounting Standards in India.

Que.2 The following are the transactions relating to purchases of materials and dispatching to the job in the production department of keshav stores. (10)

DATE 2017	RECEIPTS	QUALITY	RATE
1st January	Opening Stock	150 Kg	20
4th January	Issued	60 Kg	-
9th January	Purchased	200 Kg	22
16th January	Issued	150 Kg	-
18th January	Returned from job (from 4th January)	10 Kg	-
21st January	Purchased	310 Kg	21
27th January	Issued	110 Kg	-

The report of the stock register reveals that there was a shortage of 5 Kg on 31st January. Prepare stock registered as per FIFO method.

OR

Que.2 Shreeji Company Ltd. Provides details regarding three types of materials Viz. A, B, and C for the march 2016.

March -2016

1. Stock 100 units Rs. 5 per unit
5. 300 units per unit Rs. 6
8. 500 units per unit Rs. 7
12. 600 units per unit Rs. 8

Materials issued to production department

March -2016

6. 250 units
10. 400 units
13. 500 units

Prepare statement showing cost of materials issued to production department according to LIFO method and calculate closing stock.

Que.3 From the following Receipts and payments Account of 'Free Legal Aid Society' for the year 2014-'15 (ending 31-3-2015) and information prepare income and expenditure account for the year and balance sheet as on 31st March, 2015. (10)

Receipts	Rs.	Payments	Rs.
To Balance	14,000	By Salaries of office staff	60,000
To Interest on investment		By Honorarium to legal advisors	30,000
(10% p.a.)	40,000	By Sundry expenses	3,000
To Donations	29,000	By Stationery	5,000
To Subscriptions	1,00,000	By Court fee stamps	10,000
To Charity show receipts	20,000	By Type writers	20,000
		By Charity show expense	5,000
		By Cash on hand	70,000
	2,03,000		2,03,000

Additional Information as on	1-4-2014	31-3-2015
Subscription due	1000	2000
Subscription received in advance	2000	1000
Stock of court fee stamps	4000	6000
Value of office equipments (typewriter)	42000	60000
Value of building	80000	72000

OR

Que.3 The Devine grace club presents the following trial balance on 31st march 2016. Prepare an Income and Expenditure account and Balance Sheet as on the same date.

Debit Balance	Rs.	Credit Balance	Rs.
Office staff salary	10,000	Income from entertainment program	15,000
Postage – Telegram Exp.	1200	Interest on Investment	2240
Honorarium of Secretary	12,000	Subscription	80,000
Sundry expenses	3200	Sales of old news papers	400
Rapiers	800	Entrance fees	3600
Subscription for new papers	2700	Donation	15,600
Freship given from education fund	4000	Education Fund	30,000
Education fund Investment	30,000	Income from education fund investment	2800
Canteens expenses	18,500	Canteens income	26000
Exp. for entertainment Program	9,100	Sundry receipts	1860
Purchase of Sports equipments (1-1-2016)	11,600	Capital fund	1,35,000
Purchase of Furniture (1-1-2015)	5,000		
Sports equipments	55,000		
Investment	22,400		
Fixed deposit in bank	20,000		
Building	90,000		
Furniture	12,000		
Cash balance	5,000		
	3,12,500		3,12,500

Additional Information:

(1) Honorarium to secretary outstanding is Rs. 3,000.
(2) Subscription due is Rs. 5,000 and subscription received in advance is Rs. 6,000.
(3) Half of the entrance fees is capitalized.
(4) Interest due on education fund investments is Rs. 200.
(5) Provide depreciation at 10% on sports equipments and 6% on furniture per annum.

Que.4 On 20th My, 2016 there was a fire in Junagadh Co-op. Stores. Following was obtained from its books. (10)

Particulars	Rs.
A. Stock as on 01-01-2015	50,000
B. Stock as on 31-12 -2015	1,16,000
C. During the year 2015 : 1. Sales	4,50,000
2. Purchase	3,70,000
3. Sales return	30,000
4. Purchase return	10,000
D. 1. Sales from 01-01- 2016 to 20-05-2016	2,40,000
2. Purchases from 01-01 -2016 to 20-05-2016	1,78,000
3. Sales return from 01-01-2016 to 20-05-2016	20,000
E. Withdrawal of goods for personal use	5,000
F. Goods salvaged from fire	45,000

The Co-operative stores had taken a policy of Rs. 81,000. Find the value of goods destroyed by fire and determine the claim amount of Average policy.

OR

Que.4 There was a fire in the godown of Radhika on 14-03-2016. Stock was destroyed except stock of Rs. 3,600 by fire. Prepare claim statement from the following information.

Particulars	2013	2014	2015	2016
Purchases	1,08,400	1,12,000	1,29,000	56000
Sales	1,60,000	1,50,000	1,80,000	60,000
Wages	24,000	10,000	13,000	6000
Depreciation	8000	8000	7000	2000
Opening Stock	55,000	44000	33,000	11,000

Stock is valued higher by 10%.

Que.5 Hari and Krishna are partners of a partnership firm, sharing profit in the proportion of 60% and 40%. From the following trial balance as on 31-3-2016 and adjustments, prepare the final accounts. (10)

Trial Balance of Hari and Krishna Partnership Firm as on 31-3-2016

Particulars	Rs.	Particulars	Rs.
Drawings:		**Capital:**	
Hari	5,000	Hari	55,000
Krishna	5,000	Krishna	45,000
Leasehold building		Hari's loan (From 1-7-2015)	50,000
(From 1-4-15 for 10 years)	60,000	Discount received	400
Discount allowed	350	Creditors	25000
Debtor	40000	Commission	2500
Carriage outward	1,200	Bills payable	5,000
Furniture and Fixtures	5,000	Trading account	97,250
Salary	7,500		
Bad debts	1,200		
Bills receivable	20,000		
Trading expenses	5,900		
Cash balance	6,000		
Stock (31-03-2016)	73,000		
Machinery (office)	50,000		
	2,80,150		2,80,150

Adjustments:

(1) Calculate depreciation @ 6% on machines and 20% on furniture and fixtures.
(2) From debtors write off Rs. 500 as bad debts.
(3) Rs. 5,000 and Rs. 4,000 are payable as annual salary to Hari and Krishna respectively.
(4) Rs. 500 of commission yet to be received.
(5) Rs. 3,000 for salaries is outstanding.

OR

Que.5 X and Y are partners of a partnership firm sharing the profit and loss in the proportion of 3:2. From the trial balance of as at 31-3-2015 and other information, prepare the trading account, profit and loss account, profit and loss appropriation account, capital Account and balance sheet of their partnership firm.

The trial Balance as on 31-3-2015

Name of Accounts	L.F	Debit Rs.	Credit Rs.
Purchase and Sale		90,000	140,000
Debtors and creditors		44,000	20,000
Capital and Drawing:			
X		8,000	60,000
Y		11,000	1,00,000
Opening stock and Loan of 10%		30,000	20,000
Bad debts and Bad debts reserve		5,000	3,000
Goods returned		8,000	20,000
Furniture and outstanding salary		40,000	4,000
Cash and, Bank		16,200	5,000
Bills		5,000	4,400

Building		64,000	-
Depreciation of Building		6,000	-
Apprentice Premium		-	-
(From 1.10.2015 for 3 years)		-	4,800
Cess (Mahajan Lago)		6000	-
Wages		12,000	-
Salary		36,000	-
		3,81,200	3,81,200

Additional Information's:

(1) Closing stock was Rs. 16,000 out of which the market value of 10 % goods is 20 % less.
(2) Increased rate of depreciation on building to 10 % and calculate 5% depreciation on furniture.
(3) Bank has paid Rs. 2,000 of bills payable, which is not recorded.
(4) Write off Rs. 4,000 from debtors as bad debts and provide 5% for bad debts reserve.
(5) Calculate 8% interest on capital and 10% interest on drawings.

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