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

B.B.A. Semester - 2 (NEP-2020) Examination
MARCH/APRIL-2025
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 Explain the meaning of accounting standards, and discuss its objectives. (10)

OR

Que.1 Write a short note on Accounting Standard Board of India.

Que.2 From the following transactions of purchases and issues of materials during the period from 1st January 2023 to 31st March 2023 prepare stock register as per LIFO method. (10)

Date	Particulars	Units	Price/Unit
03/01/2023	Purchase	4,000	Rs.5
23/01/2023	Purchase	500	Rs.4
01/02/2023	Issues	2,000	-
09/02/2023	Purchase	6,000	Rs.6
15/02/2023	Issues	4,000	-
03/03/2023	Issues	1,000	-
13/03/2023	Purchase	4,500	Rs.5
20/03/2023	Issues	5,000	-

Additional information:

1. Stock on 1st January 2023 was 1000 units if the rate of rupees 4 per unit.
2. From the issues on 3rd March, 200 units have been written back to stores on 5th March.
3. Physical checking of stores on 31st March revealed shortage of 100 units.

OR

Que.2 From the following information of XYZ Co. Prepare stock register by FIFO Method for the month of March 2010.

Date	Particulars	Kgs.	Rate.
March 1	Purchase	1700	2.50
March 3	Issue	1000	
March 6	Returned from Job (Out of materials issued on 3rd March)	100	
March 7	Purchase	1200	3.00
March 10	Purchase	500	3.80
March 12	Issue	1500	
March 16	Purchase	2000	2.55
March 21	Issue	2500	
March 28	Purchase	200	3.75

On 31st March 2010 the stock verifier detected a shortage of 20 kgs.

Que.3 A Club presents the following trial balance on 31st March 2016. Prepare Income and Expenditure A/C and balance sheet. (10)

Debit Balance	Amount	Credit Balance	Amount
Office Staff Salary	10,000	Income from entertainment Program	15,000
Postage Telegram Expenses	1,200	Interest on Investment	2,240
Honorarium of Secretary	12,000	Subscription	80,000
Sundry Expenses	3,200	Sale of old newspapers	400
Repairs	800	Entrance fees	3,600
Subscription of Newspapers	2,700	Donation	15,600
Scholarship from Education Fund	4,000	Education Fund	30,000
Education Fund Investment	30,000	Income from education fund investment	2,800
Canteen Expenses	18,500	Canteen's Income	26,000

Expenses for Entertainment Program	9,100	Sundry Receipts	1,860
Purchase of Sports Equipment (1/1/2016)	11,600	Capital Fund	1,35,000
Purchase of Furniture (1/10/2015)	5,000		
Sports Equipment	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 to be capitalized.
4. Interest due on education fund investments is Rs 200.
5. Provide depreciation at 10 % on sports equipment and 6 % on furniture per annum.

OR

Que.3 From the following information of Sports Club, prepare Income and Expenditure Account for the year ended on 31st March 2016 and balance sheet on that date.

Balance Sheet of Sports Club as on 31/03/2015.

Liabilities	Amount	Assets	Amount
Capital Fund	34,000	Sports Equipment	21,600
Prize Fund	10,000	10 % Prize Fund Investment	10,000
Subscription Received in advance	3,000	Outstanding Subscription	1,000
Salary outstanding	500	Furniture	6,000
		Prepaid Sundry expenses	400
		Cash on hand	8,500
	47,500		**47,500**

Receipts and Payments Account of Sports Club for the year ended 31st march 2016.

Receipts	Amount	Payments	Amount
To opening cash balance	8,500	By salaries	13,500
To Subscriptions	22,000	By Sport Equipment Purchased	6,400
To interest on prize fund investments	500	By distribution of prizes	800
To Sale of old furniture (Book value 1000)	650	By Purchase of furniture (1/1/16)	4,000
To income from tournament	3,250	By Rent	1,200
To Entrance fees	1,600	By Sundry Expenses	1,500
		By tournament expenses	2,800
		By closing Cash balance	6,300
	36,500		**36,500**

Additional Information .

1. Following adjustments were found on 31/03/16
   - -Subscription Outstanding 4,000
   - -Subscription received in advance 2,000
   - -Salaries paid in advance 1,000
   - -Sundry expenses outstanding 200
   - -Value of Sports Equipment 21,000
2. Furniture is to be depreciated at 10 % per annum.
3. Half of the entrance fees is to be capitalized.

Que.4 Shri Rohit had taken a policy of loss of profit for Rs.1,03,600 with indemnity period of 4 months. His financial year closes on 31st December. From the information given below, prepare statement of loss of profit to be submitted to insurance Company. (10)

1. Date of fire 01/05/2016
2. Net Profit of last financial year was Rs.70,000 and insured fixed expenses were Rs.1,50,000

3. The figures of sales for four months ending on 30th April, 31st August and 31st December were as under:
   2015: Rs.3,75,000 Rs 4,50,000, Rs.1,75,000
   2016: Rs 3,00,000, Rs 75,000, -------
4. There will be decrease of Sales by 20% in the year 2016 as against 2015 and rate of profit will be decreased by 2% in 2016 as compared to 2015.

OR

Que.4 There was a fire in the godown of Shri X on 15/03/2016. Stock was destroyed except stock of Rs 5760 by fire. Prepare Claim Statement from the following information.

Particulars	**2013**	**2014**	**2015**	**15/03/2016**
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	9600
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 %.

Que.5 B & V are partners of a partnership firm, sharing profit in the proportion 60% and 40 %. (10)
From the following trial balance as on 31/03/2016 and adjustments, prepare final accounts**.**

Particulars	**Amount**	**Particulars**	**Amount**
Drawings:		**Capital:**	
B-	5,000	B-	55,000
V-	5,000	V-	45,000
Leasehold Building (From 1/4/15 for 10 years)	60,000	Brahma's Loan (From 1/7/15)	50,000
Discount Allowed	350	Discount Received	400
Debtors	40,000	Creditors	25,000
Carriage Outward	1,200	Commission	2,500
Furniture & Fixtures	5,000	Bills Payable	5,000
Salary	7,500	Trading Account	97,250
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 B and V respectively.
4. Rs 500 commission yet to be received.
5. Rs 3,000 for salaries are outstanding.

OR

Que.5 Karina and Karishma are partners of a partnership firm .Prepare Final accounts of the firm.

Trial Balance as on 31/03/2016

Particulars	**Debit Rs.**	**Credit Rs.**
Karina's capital and drawings	2,400	12,000
Karishma's Capital and drawings	1,600	8,000
Adjusted Purchase & Sales	53,000	1,00,000
Goods Stock (31/03/2005)	14,000	-
Customers & Suppliers	24,000	15,000
Wages and Salary	5,000	-
Stationary Expense	8,000	-
Building	25,000	-
Furniture	5,000	-
Office Equipment	2,000	-
Stock of packing material	2,000	-
Cash & Bank	1,000	7,000
Goods dispatched as sample	-	1,000
Total	1,43,000	1,43,000

Adjustments:

1. Calculate 8% interest on capital. Drawings of Karina is Rs 2400 and of Karishma is Rs. 1600. Interest on drawings of Karina is Rs 132 and for Karishma is Rs. 96.
2. A credit sale of Rs 5,000 is to be recorded. The total of Sales book of March 2016 is overcast by Rs 1,000.
3. Bad debts- 1,000 & BDR- 5%.
4. Rs 1,000 as outstanding wages is recorded in wages account, but outstanding wages account is missed out from recording in the trail balance.
5. In the goods closing stock; Rs 2,000 is of stationary closing stock.

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