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(20518)

Roll No.....

BBA-II Sem.

18046

B.B.A. Examination, May-2018

PRINCIPLES OF ACCOUNTING

(BBA-206)

(New)

Time : Three Hours]

[Maximum Marks : 75

Note : Attempt questions from **all** Sections as per instructions. The use of calculator is allowed.

Section-A

(Very Short Answer Questions)

Note : Attempt all the **five** questions of this section. Each question carries **3** marks. Very short answer is required not exceeding 75 words.

3×5=15

P.T.O.

1. What is goodwill? What are the methods of valuation of goodwill? 3
2. What is instalment payment system? 3
3. What do you mean by Royalty? 3
4. Distinguish between branch and department. 3
5. What do you mean by consignment? 3

Section - B

(Short Answer Questions)

Note : This section contains **three** questions, attempt any **two** questions. Each question carries 7½ marks. Short answer is required not exceeding 200 words.

7½×2=15

6. How does a partner retire from the firm? How is the amount payable to the retiring partner calculated? 7½
7. Discuss Accounting of Non-Trading Institutions. Give a specimen of Receipts and Pay-

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ment Account.

7½

8. Output of a company are as follows :

Year	I	II	III	IV
Production (in tons)	4,000	6,000	24,000	20,000

Rate of Royalty is 1.50 per ton. Minimum Rent is Rs. 15,000 per year. Short working can be recouped during first four years of lease. Prepare analysis table and land lord account.

7½

Section-C

(Detailed Answer Questions)

Note : This section contains **five** questions, attempt any **three** questions. Each question carries 15 marks. Answer is required in detail. $15 \times 3 = 45$

9. What accounting standard issued by the In-

stitute of Chartered Accounts of India. Explain any five. 15

10. Explain the difference between Hire purchase system and instalment payment system. Give journal entries in the books of Hire Purchaser under Hire purchase system. 15

11. A limited purchased a machine for cash Price of Rs. 48,000 from B Limited on instalment payment system on 1st January 2009. Its payment was made as follows : An amount of Rs. 14000 was paid on delivery and the balance was to be paid in three instalments of Rs. 14,000 each at the end of each year. Vendor charges 10% per annum interest on yearly balances. Prepare necessary accounts in the books of A Limited. 15

12. Show what entries would be passed in Head

Office books to record the following transactions, Head Office closes its accounts on 31st December :

- (i) Goods amounted to Rs. 500 transferred from Calcutta Branch to Meerut Branch.
- (ii) Depreciation of Meerut Branch Fixed Assets Rs. 1000 which such accounts are opened in the Head Office books.
- (iii) A remittance of Rs.3000 made by the Meerut Branch to Head Office on 26th December and received by H.O. on 4th January.
- (iv) Goods amounting to Rs. 5,000 sent by the Head Office to Meerut Branch on 20th December and received by the branch on 15th January.

- (v) The Calcutta branch collected Rs. 2000 from a customer of the Head Office.

15

13. A, B and C are partners sharing profits and losses as to 2:2:1. Their Balance sheet as on 30th September, 2017 is as follows :

Liabilities	Rs.	Assets	Rs.
Sundry creditors	4,000	Bank	5,000
Capital A/c		Debtors	4,000
A 20,000		Stock	15,000
B 10,000		Furniture	2,000
C 7,000	37,000	Machinery	15,000
	41,000		41,000

They decided to dissolve the firm. The assets realised as follows :

Machinery Rs. 16,100, furniture Rs. 1,000, stock Rs. 14,000, Debtors Rs. 3,500, creditors are paid at a discount of 5%. A agreed

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to bear all the realisation expenses for which he was remunerated Rs. 1,200. Actual expenses amounted to Rs. 2000 which was withdrawn by him from the firm. There was unrecorded asset of Rs. 500 which was taken over by B, for Rs. 400. Prepare: 15

- (1) Realisation A/c
- (2) Partner's capital A/c
- (3) Bank Account.