

Roll No.

BBA-105(O)

**B. B. A. (First Semester)
EXAMINATION, Dec., 2012**

(Old Course)

Paper Fifth

PRINCIPLES OF ACCOUNTANCY

Time : Three Hours]

[Maximum Marks : 75

Note : Attempt all questions. Question No. 1 is objective type and Q. No. 3 is short answer questions. All questions carry equal marks.

1. (a) Mention whether the following statements are right or wrong :
 - (i) Stock is a part of liquid asset.
 - (ii) Manufacturing A/c is a part of financial statement.
 - (iii) Building is an appreciable asset
 - (iv) Preliminary expenses written-off is shown in P/L A/c.
 - (v) Written down value method is a method of depreciation.

- (b) Fill in the blanks :
- (i) Prepaid expense is a asset.
 - (ii) Unaccrued income are written on side of balance sheet
 - (iii) Accrued income is a asset.
 - (iv) Interest on capital as calculated on the capital.
 - (v) The liability of a partner is

2. Explain any *three* of the following :

- (a) Accounting period concept
- (b) Dual aspect concept
- (c) Money measurement concept
- (d) Separate entity concept
- (e) Going concern concept
- (f) Accounting equivalence concept

3. Write short notes on any *two* of the following :

- (a) Inventory valuation method
- (b) Income and expenditure account
- (c) Difference between P/L A/c and Income and Expenditure A/c
- (d) Difference between profit organisation and non-profit organisation.

4. Khan, Pathan and Rehan are partners. They share profits and losses in the ratio of 3 : 5 : 2. They decided to dissolve the partnership on 31st March, 2012 and prepared the ahead Balance Sheet on the same date :

	₹		₹
Creditors	18,000	Freehold property	8,000
Bank overdraft	8,000	Machinery	14,400
Capital :		Stock	9,600
Khan 4,800		Debtors	2,400
Pathan 6,000		Current A/cs :	
Rehan 4,000	14,800	Pathan 4,400	
Khan's Current		Rehan 5,200	9,600
A/c	3,200		
	44,000		44,000

The freehold property realised ₹ 5,600; plant and machinery ₹ 10,800; stock ₹ 6,000 and the debtors ₹ 2,400. Khan paid off the Bank overdraft. Expenses of realisation amounted to ₹ 480. Pathan and Rehan both became insolvent, the estate of the former paying 25 paise in the rupee and of the latter 10 paise in the rupee. Close the books of the firm.

Or

What accounting record is made in the books of the firm when a partnership firm is sold to a limited company ?

5. What are the rules for incorporating the branch trial balance in head office books ? What entries are made in the journal of head office in this connection ?

Or

Give the pro forma of the balance sheet of a company with imaginary figures according to Schedule VI Part 1 under Section 211 of Companies Act, 1956.