

Roll No. ....

**BBA-204(N)**

**B. B. A. (Second Semester)  
EXAMINATION, May, 2012**

(New Course)

Paper Fourth

**PRINCIPLES OF ACCOUNTING**

*Time : Three Hours ]*

*[ Maximum Marks : 70*

**Note :** Attempt all questions. All questions carry equal marks.

1. Explain generally accepted accounting principles (GAAP). What are the golden rules for debit and credit for real, personal and nominal accounts ?

*Or*

Write a note on various Accounting Standards in India. Why are Accounting standards important ?

2. Write notes on any *two* of the following :
  - (a) Joint venture accounts
  - (b) Consignment accounts
  - (c) Accounting for non-trading organisations
  - (d) Accounting for price level changes
3. Explain accounting treatment of admission, retirement and death of a partner. What are the accounts prepared in case of dissolution of partnership ?

**P. T. O.**

Or

Explain the methods of valuation of Goodwill of a partnership firm. Give examples.

4. APL Company sent goods to Bhopal Branch at cost price plus 25%. You are given the following information :

	₹
Opening stock of Branch (at Invoice Price)	5,000
Goods sent to Branch (at Invoice Price)	25,000
Loss in transit (at Invoice Price)	2,500
Sales at Branch	30,000
Expenses at Branch	8,000
Closing Stock at Branch (at Invoice Price)	6,000

Required :

- (a) Branch Stock Account
- (b) Branch Adjustment Account
- (c) Branch P & L Account

Or

Discuss the various bases used for apportionment of common expenses to different departments. What are interdepartmental transactions ? How are they accounted for in the books ?

5. CPC Ltd. has a hire-purchase department Goods are sold on hire-purchase at cost + 40%. From the informations given below find out the profit of the company by the following 'Stock and Debtor System' :

	₹
1-7-2010	
Goods out of Hire Purchase (at H. P. Price)	21,000
During the year ended 30-6-2011	1,05,000

[ 3 ]

Cash received	70,000
Goods received back valued at (H. P. Instalment in paid ₹ 2,800)	800
30-6-11	
Goods with H. P. customers (at H. P. Price)	45,500

*Or*

Define 'Minimum (or Dead)' Rent. When does this clause become operative in a royalty agreement ? What is shortworking and sub-lease in royalty ?