

**TILAK MAHARASHTRA VIDYAPEETH, PUNE**  
**BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)**  
**EXAMINATION : DECEMBER - 2022**

**SEMESTER - I**

**Sub. : Principles of Financial Accounting (BBA15- 112)**

**Date : 20/12/2022**

**Total Marks : 60**

**Time: 10.00am to 12.30pm**

- Instructions:** 1) All questions are compulsory.  
 2) Figures to the right indicate full marks.

**Q. 1. Choose the most appropriate option. (05)**

1. .... represents a summary of all ledger balance.
 

a) ledger	b) journal
c) cash book	d) trial balance
2. Expenses for the formation of a company are called as .....
 

a) preliminary expenses	b) Office expenses
c) Audit expenses	d) Realization expenses
3. Accounting is done to keep a systematic record of ..... transactions.
 

a) Financial	b) Economical
c) Management	d) Public
4. Entries for adjustments are made at the time of preparing .....
 

a) Cash book	b) final accounts
c) Ledger book	d) Realisation
5. Journal is the book of ..... records.
 

a) original	b) Duplicate
c) Cash	d) Credit

**Q. 2. State True / False (05)**

1. Revenue is recognized at the point of sale.
 

a) True	b) False
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2. Accounting policies are formulated by the Government.
 

a) True	b) False
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3. A business and its proprietor are separate entities.
 

a) True	b) False
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4. Closing stock is always valued at market price.
 

a) True	b) False
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5. Going concern concept assumes that the business will have an indefinite life.
 

a) True	b) False
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**Q. 3. Write Short notes on (Any Three) (15)**

1. Limitations of Accounting
2. Accounting principles
3. Types of Accounting
4. Ledger Account
5. Bank Reconciliation statement

**Q. 4. Answer in detail (Any Two) (20)**

1. Explain various types of errors and how to rectify them .
2. What do you mean by adjustment?
3. Explain the need for Depreciation .

**Q. 5. Case study (Any One) (15)**

1. Post following entries in the ledger-

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Date	Particular	L. F.	Dr. Amount		Cr. Amount	
			Rs	P.	Rs.	P
May 5	Goods Account .....Dr. To Cash Account (Goods purchased for cash)	17 20	1500	00	1500	00
May 8	Cash Account .....Dr. To Bhalla and Co. (Cash received from Bhalla and Co.)	20 22	560	00	560	00
May 9	Cash Account.....Dr To Goods Account (Cash Sales )	20 17	740	00	740	00
May 9	Mohan ..... Dr. To Bank Account To Discount Account (Issue of cheque for Rs. 680 to Mohan, discount allowed by him Rs. 20 )	23 24 25	700	00	680 20	00 00

- i) Make goods account .
- ii) Make Cash Account .
- iii) Discount Account
- iv) Bank Account

2. On 31st December, 2010 there was credit balance of Rs. 12,000 in the Pass Book of Sohan of Bangalore. He issued cheques of Rs. 3,000 on 26<sup>th</sup> December, 2010, out of which cheques of only Rs. 1,800 were presented for payment upto 31<sup>st</sup> December, 2010. Bank debited Rs. 20 for expenses and credited Rs. 170 for interest for which no record has been made in the Cash Book. Sohan received a cheque of Rs. 320 from a customer; he forgot to send it to bank though it was entered in the bank column of Cash Book. He received a cheque of Rs. 500; it was not recorded in the cash book though it was sent to bank for collection and its amount was credited in sohan's account. A cheque of Rs. 1,600 was sent to bank for collection on 27<sup>th</sup> December, 2010 but it was not credited upto 31<sup>st</sup> December 2010.

Prepare Bank Reconciliation statement.

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