

BACHELOR OF COMMERCE (HONS)  
FIRST SEMESTER [REPEAT]  
FINANCIAL ACCOUNTING  
BCM – 102

**SET  
A**

[USE OMR SHEET FOR OBJECTIVE PART]

Duration: 3 hrs.

Full Marks: 70

Time: 30 mins.

**(Objective)**

Marks: 20

*Choose the correct answer from the following:*

*1 × 20 = 20*

1. Accounting is known as the language of
  - a. Business
  - b. Balancing
  - c. Art
  - d. Science
2. GAAP stands for
  - a. Generally Accepted Accounting Principles
  - b. Generally Ascertained Accounting Principles
  - c. Generally Accepted Accounting Postulates
  - d. Generally Acknowledged Accounting Postulates
3. Accounting Information System is a structure that business uses to
  - a. Collect financial data
  - b. Store financial data
  - c. Process financial data
  - d. All of the above
4. Provision for Bad Debt provided ₹ 10,000 relates to which principle
  - a. Cost
  - b. Conservatism
  - c. Money measurement
  - d. Continuity
5. Which of the following is a popular Accounting Software
  - a. Flodesk
  - b. Proof Hub
  - c. Tally ERP 9
  - d. Oracle
6. To create a Ledger, we need to press enter for
  - a. Accounts Info
  - b. Inventory Info
  - c. Accounting Vouchers
  - d. Gateway to Tally
7. Which of the following keys are used to delete a company
  - a. Alt F4
  - b. Alt F2
  - c. Alt F3
  - d. Alt F6
8. For displaying Balance Sheet, we need to press enter for
  - a. Display of Reports
  - b. Stock Summary
  - c. Statutory Info
  - d. Statement of Accounts
9. Revenue Recognition Principles states that
  - a. Revenue items are to be ignored in business
  - b. Revenue is considered as being earned on the date when it is recognized
  - c. Revenues and costs items incurred by the business are to be separated
  - d. Revenue and Profit are same concept in business.

10. LIFO stands for
- |                         |                        |
|-------------------------|------------------------|
| a. Last In First Option | * b. List In First Out |
| c. Last In First Out    | d. List In For Out     |
11. Accrual Basis of Accounting records
- |                                      |                             |
|--------------------------------------|-----------------------------|
| a. Only cash transactions            | b. Only credit transactions |
| c. Both cash and credit transactions | d. None of the above        |
12. Diminishing Balance Method of computing Depreciation is also known as
- |                                    |                              |
|------------------------------------|------------------------------|
| a. Diminishing Depreciation Method | b. Decreasing Value Method   |
| c. Straight Line Method            | d. Written Down Value Method |
13. Trading Account is prepared to ascertain
- |                 |                 |
|-----------------|-----------------|
| a. Net Profit   | b. Gross Profit |
| c. Gross Income | d. Net Income   |
14. Financial position of a business entity for one accounting period is shown through
- |                            |  |
|----------------------------|--|
| a. Balance Sheet           | b. Trading Account                       |
| c. Profit and Loss Account | d. Profit and Loss Appropriation Account |
15. Goodwill is a
- |                   |                     |
|-------------------|---------------------|
| a. Fixed Asset    | b. Current Asset    |
| c. Tangible Asset | d. Intangible Asset |
16. Marshaling of Assets and Liabilities means
- |  |  |
|--|--|
| a. Balancing of Assets and Liabilities                     | b. Presentation of assets and liabilities in a certain order |
| c. Presentation of assets and Liabilities in Balance Sheet | d. Totaling of Assets and Liabilities                        |
17. Income and Expenditure Account is
- |                     |                      |
|---------------------|----------------------|
| a. Personal Account | b. Real Account      |
| c. Nominal Account  | d. None of the above |
18. Life Membership Fee is treated
- |                    |                    |
|--------------------|--------------------|
| a. Revenue Receipt | b. Capital Receipt |
| c. Revenue income  | d. Capital Income  |
19. Which of the following is an example of Not-for-Profit Organization?
- |                             |                           |
|-----------------------------|---------------------------|
| a. Sharma Firms             | b. M/s Mohan Enterprise   |
| c. Marak Brothers' Pvt. Ltd | d. Lions Club of Shillong |
20. Branch Accounting uses mainly
- |                            |                            |
|----------------------------|----------------------------|
| a. 2 systems of accounting | b. 3 systems of accounting |
| c. 4 system of accounting  | d. 5 system of accounting  |

**( Descriptive )**

Time : 2 Hr. 30 Mins.

Marks : 50

[ Answer question no.1 & any four (4) from the rest ]

1. a) Write about five qualitative characteristics of Accounting Information. 5+5=10  
b) Write a note on IFRS.
2. Write in details advantages of Computerized Accounting System. 10
3. Discuss the objectives of measurement of Business Income. Distinguish Between LIFO and FIFO methods of inventory valuation. 6+4=10
4. a) Write three features of Receipts & Payments Account 3+7=10  
b) From the following Receipts and Payment Account for the year ended 31st December, 2021 and other details of Noble Club prepare an Income and Expenditure Account for the year ended 31st December 2021

Receipts	Amount (₹)	Payments	Amount (₹)
To Opening Cash & Bank Balances	10,000	By Salaries	12,000
To Fees for 2020		By Honorarium	2,000
To fees for 2021	900	By Meeting Expenses	
To Fees for 2022	19,000	By Travelling	3,500
To Sale of old furniture	1,500	By Postage	2,000
To Legacies		By Stationery and Printing	1,000
To Donations	600	By Advance	1,900
To Donations for Prize Fund	11,000	By Bank Charges	1,300
To Maintenance Grant		By Investments	100
To Capital Grant	5,000	By Construction of Building	5,000
	2,000	By Rent Rates and Taxes	19,000
		By closing balance of cash & bank	3,000
	6,000		14,450
	9,000		
	<u>65,300</u>		<u>65,300</u>

Other Details-

- i) Outstanding Salaries ₹ 1,500
  - ii) Rent Outstanding ₹200
  - iii) Provide Depreciation on furniture ₹ 200 on Building ₹ 500
5. a) What is a Dependent Branch? 2+8=10  
b) Write the Accounting Entries in the Books of Head Office for a Dependent Branch under Branch Accounting.
  6. Write short Notes on the following- 5+5=10  
a) Business Entity Concept  
b) Convention of Full Disclosure

7. M/S Bhoi Sisters, having their Head Office at Guwahati, has a Branch at Ri-Bhoi. Following are the transactions of the Head Office with its Ri-Bhoi Branch for the year ended 31<sup>st</sup> March 2021. -

10

Stock at Branch 1.4.2020	₹ 20,000
Petty Cash at Branch on 1.4.2020	₹ 400
Furniture at Branch on 1.4.2020	₹ 18,000
Goods supplied to Branch during the year	₹ 1,65,000
Goods returned by Branch	₹ 2,500
Cash Sales at Branch	₹ 2,40,000
Cheque sent to Branch	

Salary	₹ 12,000
Office Expenses	₹ 3,600
Petty Cash	₹ 3,000
Rent	₹ 1,400 ₹ 20,000

Stock at Branch on 31.3.21	₹ 30,000
Petty expenses incurred by Branch	₹ 3,100
Prepaid Salary 31.3.21	₹ 1,500
Outstanding rent 31.3. 21	₹ 600
Branch Furniture 31. 3. 21	₹ 16,150

Prepare Ri-Bhoi Branch Account under Debtors System in the books of Guwahati Head Office.

8. From the following Trial Balance of Rajmohan, a sole trader Prepare
- Trading Account
  - Profit and Loss Account
  - And a Balance Sheet for the year ended 31<sup>st</sup> December 2021

2+4+4=10

Balances	Debit ₹	Credit ₹
Opening Stock	2,400	
Purchases Return Outward	26,000	
Wages		375
Rates	1,600	
Salaries	625	
Bad Debt	1,100	
Rent Received	100	
Debtors		75
Creditors	2025	
Outstanding Salaries		800
Sales		
Furniture		100
Land and Building		30,000
Drawing	2,050	
Cash in hand		
Capital	7,000	
	500	
	150	12,200
	43,550	43,550

Adjustment:  
Closing Stock ₹ 2,700

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