

**A-1121**

Total Pages : 4

Roll No. ....

**BBA (N)-401**

**Financial Accounting**

Examination February, 2026

Time : 2:00 Hrs.

Max. Marks : 70

*Note :-* This paper is of Seventy (70) marks divided into Two (02) Sections 'A' and 'B'. Attempt the questions contained in these Sections according to the detailed instructions given therein. *Candidates should limit their answers to the questions on the given answer sheet. No additional (B) answer sheet will be issued.*

**Section-A**

**(Long Answer Type Questions) (2×19=38)**

*Note :-* Section 'A' contains Five (05) Long-answer type questions of Nineteen (19) marks each. Learners are required to answer any *two* (02) questions only.

**A-1121**

( 1 )

P.T.O.

1. Explain basic accounting concepts and conventions. Discuss their significance and limitations.
2. Define depreciation. Explain its importance in financial reporting and distinguish between depreciation and amortization.
3. Explain the need for preparing a Bank Reconciliation Statement. Discuss the major reasons for differences between the Cash Book balance and the Pass Book balance.
4. What is a Suspense Account ? Discuss its role in maintaining accuracy of the trial balance. Under what circumstances is it opened ?
5. The following ledger balances have been extracted for the year ending 31st Dec., 2022 from the books of Mr. Y. You are required to prepare trading, Profit and loss account and balance sheet for the relevant year :

| <b>Particulars</b>            | <b>(₹)</b> |
|-------------------------------|------------|
| Capital                       | 24,000     |
| Drawings                      | 4,000      |
| Sundry debtors                | 63,000     |
| Sundry creditors              | 40,000     |
| Bills Receivable              | 5,000      |
| Opening stock                 | 45,00      |
| Fixture and fittings          | 6,500      |
| Cash at office                | 1,000      |
| Machinery                     | 12,400     |
| Bank overdraft                | 5,000      |
| B/P                           | 7,000      |
| Purchases                     | 50,000     |
| Sales                         | 1,29,000   |
| Returns Inward                | 1,000      |
| Returns outward               | 1,100      |
| Salaries                      | 9,000      |
| Wages                         | 4,000      |
| Commission of Travel expenses | 4,500      |
| Trade Expenses                | 2,500      |
| Rent                          | 2,200      |
| Discount Received             | 4,000      |
| Closing stock                 | 52,000     |

## Section–B

(Short Answer Type Questions) (4×8=32)

**Note** :- Section ‘B’ contains Eight (08) Short-answer type questions of Eight (08) marks each. Learners are required to answer any *four* (04) questions only.

1. Explain the principle of Double Entrx System in accounting.
2. Explain the Revenue Recognition Principle.
3. Distinguish between Journal and Ledger.
4. What do you understand by Bills of Lxchange ?
5. Distinguish between Balance Sheet and Profit and Loss account.
6. What are the golden rules of accounting ?
7. What is the FIFO method in stock valuation ?
8. Explain any two methods of preparing a Trial Balance.

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