

Dr. Babasaheb Ambedkar Open University
Term End Examination July – 2026

Course	: BBA/ DBA	Date	: 18-07-2026
Subject Code	: BBACC102 / DBACC102	Time	: 11:30am to 01:45pm
Subject Name	: Financial Accounting	Duration	: 02.15 Hours
		Max. Marks	: 70

Q-1 Explain the Objectives and Functions of Accounting. **14**

Or

Q-1 Explain the Accounting Principles and Accounting Concepts.

Q-2 Write journal entries from the following Transaction of Shri Malay pal. **14**

Jan 1: Started business with cash Rs. 10,000.

2: Brought a personal scooter of Rs. 5,000 in business.

3: Started business with cash Rs.15,000, Machines, Rs. 40,000, goods Rs. 8,000 and debtors Rs.12,000

4: A personal furniture was sold for Rs.10,000 and out of this, cash of Rs.5,000 was brought into the business.

5: Started a business with cash Rs.30,000, debtors Rs.8,000 and creditors Rs.5,000,

6: Withdrew cash from business for personal use Rs.5, 000

7: Paid for Life insurance premium Rs.1,250.

8: Paid for daughter's school fee Rs.1,700.

9: Goods of Rs.1,000 were withdrawn for Personal use.

Or

Q-2 Record the following transactions in the sales book of Shankar Electronics, Rajkot.

2008 January 3:

Sold Rutu Electronics, Vide Invoice No. 431 5 Colour T.V. Sets @ Rs. 20000 each. Less Trade Discount 20% and VAT is charged @ 10 %

2008 January 10:

Sold to Gita Electronics, Vide Invoice No. 432 10 Washing Machine @ Rs. 8000 each Less Trade Discount @ 25% and CST is charged @ 10%

2008 January 12:

Sold to Raghu & Sons, Vide Cash Memo No.2510 6 Colour T.V. sets @ Rs. 18000 each Less Trade Discount @ 15% and VAT is charged @ 10%

2008 January 16:

Sold to Nita Trading Co. Vide Invoice No. 433 8 Music systems @ Rs, 15000 each 10 Colour T.V. Sets @ Rs. 22000 each Less Trade Discount 20%, VAT charged @ 10%

Q-3 From the following information prepare three columnar cash book and post it in ledger 2014: **14**

2014, July 1 Cash Balance Rs. 13000, and Bank balance Rs. 18000.

2 Cash Purchases Rs. 3500, and cash sales Rs. 5300.

4 Withdrew Rs. 4200 from Bank for business use.

5 A cheque of Rs. 2200 is given to Yash for full settlement towards payables of Rs. 2220.

7 Purchased files and ball pens and payment with a cheque of Rs. 750.

9 Against the receivable of Rs. 3310 from Samir, received Rs. 3300 as a full settlement.

- 12 paid salary Rs. 2400 and Rent Rs. 1300.
 13 paid electricity bill of shop Rs.700 and residence Rs. 1000.
 15 Gopal has closed his account of Rs.1410 by paying cash of Rs.1400.

Or

- Q-3** A company purchased machinery on 1st January, 2021 for Rs. 1,20,000. On July 1, 2021, one more machine was purchased of Rs. 40,000. On 1st July, 2023 the machinery purchased on 1st January, 2021 having become obsolete was sold for Rs. 57,200 and on the same date, new machinery was purchased at a value of Rs. 80,000. Depreciation was provided for annually at the rate of 10% on written down value and calculates on 31st December. In 2024, however, the firm changed this method of providing depreciation and adopted the method of providing 5% p.a. depreciation on the straight line method with retrospective effect. Prepared machine Account for all the years and related notes.
- Q-4** Explain the Specimen of Profit and loss Account in detail. **14**
- Or**
- Q-4** Explain the Errors not Affecting the Trial Balance in detail.
- Q-5 (a) Short note (any three)** **09**
- 1 Classification of Accounts
 - 2 Specimen of an Account
 - 3 The distinction between Bill of Exchange and Promissory Note.
 - 4 Difference between Fixed Capital and Fluctuating Capital
 - 5 Objectives of Bank Reconciliation Statement
- Q-5 (b) MCQ** **05**
- 1 According to going Concern, a business is Assumed as having:
 - A. a limited life
 - B. an indefinite life
 - C. a very long life
 - D. None of the above
 - 2 Journal records the transactions of a firm in a
 - A. Chronological order
 - B. Systematic Order
 - C. Specific Order
 - D. None of these.
 - 3 Debit Note is Prepared when there is _____
 - A. Purchase Return
 - B. Sales Return
 - C. Both
 - D. None
 - 4 The word 'C' against any entry in the cash book signifies that this entry is _____ entry.
 - A. Correct
 - B. Cash
 - C. Contra
 - D. None of these.
 - 5 If a transaction is left unrecorded in primary books the Error is known as.....
 - (a) error of omission
 - (b) error of principle
 - (c) error of recording to a wrong account
 - (d) compensator errors
