

Dr. Babasaheb Ambedkar Open University

Term End Examination July – 2026

Course	: BSCIT	Date	: 18/08/2026
Subject Code	: BSCITRMU-204	Time	: 11:30am to 01:45pm
Subject Name	: Financial accounting and management	Duration	: 02.15 Hours
		Max. Marks	: 70

Section A

Answer the following (Attempt any three)

(30)

1. Explain the accounting assumptions, principles, accounting standards in brief.
2. Record or journalized the following transaction in the books of Ankit ltd.
2025
Aug. 1: Purchased goods for Rs. 4,000
Aug. 3: Purchased goods on credit from Rani for Rs. 2,000
Aug. 5: Goods sold for Rs. 10,000
Aug. 6: Goods sold to Jadu for Rs. 1,000 on credit
Aug. 7: Goods returned to Rani Rs. 1,000
Aug. 9: Purchased a plot of land for Rs. 1,00,000
Aug. 10: Purchased furniture on credit from MM Company for Rs. 50,000
Aug. 11: Old computer sold for Rs. 5,000
Aug. 12: Rent paid Rs. 5,000
Aug. 13: Advertisement expenses paid Rs. 4,000
Aug. 14: Interest on investment received Rs. 1,000.
3. Explain the Features, advantages and disadvantages of partnership.
4. What are the different types of errors that cannot be disclosed by trial balance? Explain in details.
5. From the following trial balance of M/S ABC. You are required to prepare Trading and Profit and Loss Account for the year ended 31.03.2025 and a Balance Sheet as on that date.

Trial Balance as on 31-03-25

Particulars	Debit Balance (Rs.)	Particulars	Credit Balance (Rs.)
Opening Stock	25,000	Creditors	40,000
Salaries	6,000	Sales	1,40,000
Insurance	400	Capital	25,000
Carriage Inward	1,700	Discount	100
Commission	4,400	Bills Payable	6,200
Stationery	2,300	Return outward	1,000
Return inward	3,200		
Purchases	75,000		
Rent & Taxes	2,000		
Bills Receivable	4,000		
Drawings	2,800		
Office Furniture	8,000		
Debtors	67,000		
Cash in hand	500		
Cash in Bank	10,000		
	2,12,300		2,12,300

Adjustments:

- 1) Closing Stock is valued at Rs. 30,000.
- 2) Prepaid Insurance Rs. 100
- 3) Office Furniture to be depreciated at 10%
- 4) Provision for doubtful debt to be provided at 2% on Debtors.
- 5) Salary outstanding Rs. 200

(20)

- (10)

- 1 When trial balance does not tally, it is tallied temporarily with help of ____ account.
A Trading a/c
B Profit and loss a/c
C Suspense a/c
D Balance sheet
- 2 How many types of cash book?
A 3
B 4
C 2
D 1
- 3 The basic advantage of ratio in terms of management is:
A forecasting
B planning
C coordination
D all of above
- 4 J.F. stands for?
A Journal Folio
B Just Folio
C Journal First
D none of these
- 5 In narration is required and written in each and every entry.
A Journal
B ledger
C both
D None of these
- 6 Trading account contains information about:
A purchase
B expenses
C closing stock value
D all of above

- 7 GAAP stands for?
 A Generally Accepted Accounting Principles
 B Generally Accepted Accounting Price
 C Generally Accepted Accredited Principles
 D None of these
- 8 Current Assets includes -----
 A stock
 B debtors
 C B/R
 D all of these
- 9 -----debited in trading account.
 A purchase
 B sales
 C closing stock
 D All of these
- 10 Journal is called -----
 A Primary book
 B Secondary book
 C both
 D none of the above

Part – B (Do as Directed)

(10)

- 1 Define Working Capital.
- 2 Explain Current Liabilities.
- 3 What is meant by The Revenue Recognition Principle?
- 4 What is accounting standard?
- 5 What is fluctuating capital A/c?
- 6 What is meant by retirement of a partner?
- 7 Define Earnings-per-Share (EPS).
- 8 Define trial balance.
- 9 Explain cash book.
- 10 Q, R and S are partners in a firm sharing profits as 2 : 2 : 3. S retires and his share was taken up by Q and R in the ratio of 2 : 1. Calculate the new profit-sharing ratio.
