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BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.) /
BBA IN SPORTS MANAGEMENT (472)
EXAMINATION: DECEMBER- 2024
SEMESTER - II
Sub.: Financial Accounting (BBA23-212)

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. is an example of a current liability.
a) Creditors
b) Machinery
c) Capital
d) Furniture
2. is a base for allocation of canteen expenses.
a) Sales
b) Time
c) Purchases
d) Number of employees
3. Joint venture is partnership.
a) Limited Period
b) a and c both
c) For Specific Purpose
d) None of the given
4. If the joint venture involves a bank account, the amount deposited by each co-venturer is recorded in
a) The Joint Venture Account
b) The Co-venturer's Account
c) The Capital Account
d) The Bank Account
5. In the surplus capital method, if there is not enough cash to return all partners' capital, the cash is distributed.....
a) According to their capital balance, proportionately
b) On the basis of the work done by the partners
c) in 5 : 2 ratio
d) Equally among all partners

Q. 2. State True / False (05)

- Balance Sheet is prepared at the last in the Final Account.
a) True b) False
- Departmental Account divides expenses in concerned departments on some equitable basis.
a) True b) False
- A consignor is the owner of goods consigned till sales.
a) True b) False
- The Joint Venture Account is used to record Transactions related to the venture project.
a) True b) False
- Surplus Capital method is also known as Proportionate Capital method.
a) True b) False

Q. 3. Write Short notes on (Any Three) (15)

1. Benefits of Final Accounts to a business
2. Features of Departmental Accounting
3. Consignor
4. Utility of Joint Ventures
5. Need of Piecemeal Distribution

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

1. Explain the basis of allocation of expenses in Departmental Accounts.
2. Nayana and Raviraj were operating separately as event organizers. They entered into a joint venture to organize a corporate event for a total contract price of ₹ 20,00,000. A joint bank account was opened in their names, where Nayana deposited ₹ 6,00,000, and Raviraj deposited ₹ 4,00,000. Nayana agreed to share 60% profits or losses and Raviraj agreed to share 40% profits or losses.

The following transactions occurred during the venture:

- Decorations purchased by Nayana – ₹ 60,000
- Purchased supplies – ₹ 8,40,000
- Equipment supplied by Nayana – ₹ 1,20,000
- Equipment rental paid by Raviraj – ₹ 72,000
- Paid labor charges – ₹ 7,00,000

Unused supplies were taken over by Raviraj at an agreed value of ₹ 40,000. The contract was completed, and the event's income was received in full.

You are required to prepare the Joint Venture Account and the Co-venturers' Accounts.

3. How consignment business helps any commercial organization to grow?
4. Balance Sheet of X, Y, and Z as on 31st March 2024

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital Accounts:		Fixed Assets	1,70,000
- X	40,000	Debtors	30,000
- Y	50,000	Inventory	40,000
- Z	60,000	Cash	10,000
Creditors	50,000		
Bills Payable	30,000		
Loan from W	20,000		
	2,50,000		2,50,000

Additional Information:

1. Cash Realisations:
First Realisation: ₹ 60,000
Second Realisation: ₹ 90,000
Final Realisation: ₹ 80,000

2. X, Y and Z shared profits and losses in the ratio of 5:3:2.

You are requested to prepare piecemeal distribution of cash under Surplus Method.

Q. 5. Kusum Traders provided the Trial Balance as on 31st March 2024.

(15)

Particulars	Debit (₹)	Credit (₹)
Advertisement	40,000	-
Bank Loan	-	2,00,000
Bank Overdraft	-	1,20,000
Capital	-	8,00,000
Carriage Inwards	20,000	-
Cash in Hand	1,00,000	-
Creditors	-	3,00,000
Debtors	4,00,000	-
Discount Received	-	20,000
Dividend Earned	-	14,000
Drawings	60,000	-
Furniture	2,00,000	-
Goodwill	98,000	-
Interest Earned	-	10,000
Opening Stock	1,60,000	-
Purchases	7,00,000	-
Rent	36,000	-
Salaries	3,00,000	-
Sales	-	12,00,000
Taxes	70,000	-
Wages	80,000	-
Machinery	4,00,000	-
	26,64,000	26,64,000

Adjustments:

1. Salaries are outstanding amount to ₹ 40,000.
2. Depreciate furniture by 5% and Machinery by 10%.
3. Rent paid in advance is ₹ 8,000.
4. Create a provision for doubtful debts at 5% of debtors.
5. Closing stock as on 31st March 2024 is valued at ₹ 50,000.

You are required to prepare:

1. Trading Account
2. Profit and Loss Account
3. Balance Sheet as on 31st March 2024.