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NOIDA INSTITUTE OF ENGINEERING AND TECHNOLOGY, GREATER NOIDA
(An Autonomous Institute Affiliated to AKTU, Lucknow)

BBA

SEM: I - THEORY EXAMINATION (2025 - 2026)

Subject: Financial Accounting

Time: 2.5 Hours

Max. Marks: 60

General Instructions:

IMP: Verify that you have received the question paper with the correct course, code, branch etc.

1. This Question paper comprises of three Sections -A, B, & C. It consists of Multiple Choice Questions (MCQ's) & Subjective type questions.

2. Maximum marks for each question are indicated on right -hand side of each question.

3. Illustrate your answers with neat sketches wherever necessary.

4. Assume suitable data if necessary.

5. Preferably, write the answers in sequential order.

6. No sheet should be left blank. Any written material after a blank sheet will not be evaluated/checked.

SECTION-A

15

1. Attempt all parts:-

1-a. Identify a limitation of financial accounting. (CO1,K2)

1

- (a) Historical cost
- (b) Future projection
- (c) Managerial decision
- (d) Non-monetary items ignored

1-b. Identify the purpose of a trial balance. (CO2,K2)

1

- (a) Shows profit
- (b) Shows cash
- (c) Checks arithmetic accuracy
- (d) Shows liabilities

1-c. State significance of inventory valuation. (CO3,K2)

1

- (a) Affects liabilities
- (b) Affects revenue only
- (c) Affects profit & financial position
- (d) No effect

1-d. Compute profit for vendor if total cash received ₹90,000, cash price ₹80,000. (CO4,K3)

1

- (a) 10000
- (b) 5000
- (c) 15000
- (d) 12000

1-e.	State the meaning of consignment. (CO5,K1)	1
(a)	Stock A/c Dr To Consignment A/c	
(b)	Consignment A/c Dr To Stock A/c	
(c)	Cash A/c Dr To Stock	
(d)	Purchases A/c Dr To Stock	
2.	Attempt all parts:-	
2.a.	Identify the primary users of accounting information. (CO1,K2)	2
2.b.	Define double entry system. (CO2,K1)	2
2.c.	Compute annual depreciation for ₹50,000 asset, 10% rate under SLM. (CO3,K3)	2
2.d.	Show the journal entry for payment of installment including interest. (CO4,K2)	2
2.e.	State the main feature of joint venture. (CO5,K2)	2
<u>SECTION-B</u>		15
3.	Answer any <u>three</u> of the following:-	
3-a.	Justify the role of accounting in ensuring transparency. (CO1,K5)	5
3-b.	Describe the importance of accounting equation. (CO2,K2)	5
3.c.	An asset costing ₹30,000 is depreciated at 10% per annum using Diminishing Balance Method. Find depreciation for the first two years. (CO3,K3)	5
3.d.	A firm sold furniture on HP for ₹75,000. Cash down ₹15,000, remaining in 3 installments @ 10% interest p.a. Prepare installment schedule, vendor's ledger, and interest calculation. (CO4,K6)	5
3.e.	Compute profit of co-venturer in joint venture if total profit ₹30,000 shared 2:1. (CO5,K3)	5
<u>SECTION-C</u>		30
4.	Answer any <u>one</u> of the following:-	
4-a.	Assess how accounting principles affect financial transparency. (CO1,K5)	6
4-b.	Construct a comparative analysis of Indian AS and IFRS frameworks. (CO1,K6)	6
5.	Answer any <u>one</u> of the following:-	
5-a.	From the following, prepare Trading and Profit & Loss Account: Sales ₹80,000; Purchases ₹50,000; Wages ₹5,000; Rent ₹3,000; Commission earned ₹1,000; Closing stock ₹10,000; Depreciation ₹2,000. (CO2,K3)	6
5-b.	Compare single-entry and double-entry systems of accounting. (CO2,K4)	6
6.	Answer any <u>one</u> of the following:-	
6-a.	State the meaning of FIFO and LIFO inventory valuation methods. (CO3,K1)	6
6-b.	Furniture purchased for ₹36,000 has a life of 6 years and scrap value of ₹6,000. Calculate annual depreciation for two years using Straight Line Method. (CO3,K3)	6
7.	Answer any <u>one</u> of the following:-	

- 7-a. Explain the treatment of closing balance of hire purchase stock. (CO4,K2) 6
- 7-b. Describe the objective & importance of maintaining Hire Purchase Stock Account. (CO4,K2) 6
8. Answer any one of the following:-
- 8-a. Goods costing ₹80,000 sent on consignment with freight ₹5,000, insurance ₹2,000. Sales realized ₹1,00,000. Compute net profit and prepare consignment account. (CO5,K3) 6
- 8-b. Explain the meaning of Consignment and distinguish it from a Sale. (CO5,K4) 6

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