TUTOR MARKED ASSIGNMENT

COURSE CODE	**:**	**BCOC-131**
COURSE TITLE	**:**	**FINANCIAL ACCOUNTING**
ASSIGNMENT CODE	**:**	**BCOC-131/TMA/2026-27**
COVERAGE	**:**	**ALL BLOCKS**

Maximum Marks: 100

Note: Attempt all the questions.

Section-A
(Attempt all the questions. Each question carries 10 marks.)

Q.1 Describe the advantages and limitations of accounting. **(10)**

Q.2 What is a Journal Proper? List the transactions recorded in the Journal Proper. **(10)**

Q.3 What are the merits and demerits of written down value method? Distinguish it from the straight-line method. **(10)**

Q.4 What are the rights of a hire vendor in case of default and the rights of hirer in case of seizure and repossession of goods under the Hire Purchase Act, 1972? **(10)**

Q.5 Explain the separate set of books method for maintaining joint venture accounts. **(10)**

Section-B
(Attempt all the questions. Each question carries 6 marks.)

Q.6 Describe the procedure of issuing Accounting Standards in India. **(6)**

Q.7 Explain the rules regarding posting of journal entries into ledger accounts. **(6)**

Q.8 Why some adjustments become necessary at the time of preparing the final accounts? Name any two items of adjustment and explain how they are shown in the final accounts? **(6)**

Q.9 Name the three systems of maintaining the accounts of a dependent branch, and describe how profit is ascertained under each system. **(6)**

Q.10 Name items which are recorded at the invoice price in the Consignment Account. Give journal entries passed for the adjustment of loading in respect of each item. **(6)**

Section-C

(Attempt all the questions. Each question carries 10 marks.)

Q.11 Define voucher and discuss different types of vouchers. **(10)**

Q.12 **Write short notes on the following:** **(5x2=10)**

a) Conservatism

b) Errors of Omission

c) Purchase Register

d) Computerised Accounting System

e) Group in Tally

Q.1 Describe the advantages and limitations of accounting. (10)

Answer

Accounting is the systematic process of identifying, recording, classifying, summarising and communicating financial transactions. It converts daily business activities into useful information through the journal, ledger and financial statements. It is important for a small shop as well as a large company, although it has certain limitations.

Advantages of accounting

- **Permanent and systematic record:** Accounting records transactions in a chronological and classified manner. Bills, vouchers, journals and ledgers provide evidence of what was purchased, sold, received or paid. The business need not depend only on the owner's memory.
- **Measurement of profit or loss:** The Trading and Profit and Loss Account shows whether the business has earned a profit or suffered a loss during an accounting period. Management can compare current performance with earlier years and investigate changes.
- **Knowledge of financial position:** The Balance Sheet presents assets, liabilities and capital on a particular date. It indicates resources owned by the business, amounts owed to outsiders and the owner's claim.
- **Assistance in decision-making:** Reliable figures help management plan purchases, control expenses, fix credit policies and select possible investments. For example, rising debtors may indicate the need for better collection efforts.
- **Legal, taxation and compliance needs:** Proper books support tax computation, statutory returns, audits and compliance with applicable laws. Documented accounts also provide evidence during a dispute.
- **Comparison and control:** Periodic statements help compare actual sales, costs and profits with targets and prior periods. Managers can detect unusual expenses, waste, omissions and other weaknesses.
- **Communication to interested parties:** Owners, lenders, investors, employees and other stakeholders use accounting information to judge performance and the ability of the business to meet its obligations.