

(i) Printed Pages: 2

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(ii) Questions : 9

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Bachelor of Commerce 3rd Semester (Hons.)

(2122)

**ACCOUNTING & FINANCE : ACCOUNTING THEORY
AND REPORTING PRACTICES**

Paper : BCH-307

Time Allowed : Three Hours]

[Maximum Marks : 80

Note :— Attempt **four** short questions from Section A carrying 5 marks each. Attempt **two** long questions each from Section B and Section C respectively carrying **15** marks each.

SECTION—A

1. Attempt any **four** parts of the following :

- (a) Describe five limitations of accounting.
- (b) What do you mean by accounting theory ? Briefly describe advantages of learning accounting theory.
- (c) Briefly describe the objectives of financial statements.
- (d) Describe the features of liabilities.
- (e) Briefly describe the standard setting process of IASB.
- (f) How will you treat goodwill arising on amalgamation ?

SECTION—B

2. "Accounting forms an indigenous part in the formation of the accounting theory". Explain this statement in the light of objectives of accounting.
3. What is accounting theory ? What are its features and objectives ? Differentiate between accounting theory and accounting practices.
4. Discuss the merits and demerits of standard setting by public and private sectors.
5. "Accounting is diverse, but its users are divergent". Explain the statement in detail.

SECTION—C

6. What is financial reporting ? Explain the objectives, uses and difficulties being faced by the companies in its preparation.
7. What do you mean by assets ? Explain the criteria for valuation of various assets.
8. Write a detailed note on Accounting Standard for Revenue Recognition.
9. Explain the concept of capital and capital maintenance and determination of profits.