



0232

**Second Semester 5 Year B.B.A. LL.B. (New/Old) Examination, December 2018**  
**FINANCIAL ACCOUNTING**

Duration : 3 Hours

Max. Marks : 100

- Instructions :**
1. Answer Q. No. 9 and **any five** of the remaining questions.
  2. Q. No. 9 carries **20** marks and remaining questions carry **16** marks **each**.
  3. Answer should be written in **English**.
  4. **Use** simple calculator.

Q. No. 1. Journalise the following transactions in the books of Mr. Sachin. Marks : 16

2012

October

- 01 Started business with cash Rs. 75,000, Goods Rs. 25,000 and Furniture worth Rs. 75,000.
- 02 Deposited into the Bank of Baroda Rs. 25,000.
- 04 Purchased goods for cash Rs. 28,000 from Girish and Rs. 20,000 from Harish on credit.
- 06 Sold goods for cash Rs. 30,000 and on credit to Suresh Rs. 20,000.
- 10 Paid postage Rs. 1,000.
- 13 Bought machinery from Wipro Ltd. for Rs. 20,000.
- 14 Drew for office use Rs. 10,000.
- 18 Suresh paid us Rs. 19,500 in full settlement of his account of Rs. 20,000.
- 22 We paid to Harish Rs. 19,900 in full settlement of our account Rs. 20,000.
- 30 Advanced loan to Srinath Rs. 20,000.
- 31 Paid electricity charges Rs. 1,000.

P.T.O.



Q. No. 2. Post the following transactions into the ledger and balance them.

Marks : 16

2012

June

- 01 Business started with cash Rs. 2,00,000
- 08 Opened a bank account with Syndicate Bank Rs. 80,000
- 12 Goods purchased on credit from M/s Gulmohar Fashion House Rs. 30,000
- 15 Purchased office machine and paid by cheque Rs. 20,000
- 18 Rent paid by cheque Rs. 5,000
- 20 Sale of goods to M/s Mohith Brothers on credit Rs. 10,000
- 22 Cash sales Rs. 15,000
- 25 Cash paid to M/S Gulmohar Fashion Rs. 30,000
- 28 Received a cheque from M/s Mohith Brothers Rs. 10,000
- 30 Salary paid in cash Rs. 6,000.

Q. No. 3. Enter the following transactions in the proper subsidiary books for the month of March 2018 in the Janapriya Traders.

Marks : 16

- March 1 Purchased 100 units from Nandish Dept. Stores at Rs. 2,500 per unit
- 2 Sold 40 units to Rahim at Rs. 190 per unit
- 6 Bought goods of Rs. 10,000 from Anmal Traders at 20% discount
- 11 Returned 10 defective units to Nandish Dept. Stores
- 14 Sold to Keerthi Stores Rs. 5,000 on credit at 10% discount
- 15 Placed an order with Lalkrishna for 75 units at Rs. 50 per unit



- 16 Lalkrishna accepted the order and supplied the goods
- 18 Rahim returned 5 damaged units.
- 20 Sold 20 units for Rs. 15,000 to Uday on account at 10% trade discount
- 22 Purchased goods from Bharath Traders Rs. 9,000
- 24 Abhijith sold us 30 units at Rs. 450 per unit
- 25 Sold to Thirupathy and Co. Rs. 7,000 on account
- 27 Uday returned 4 defective units
- 27 Sold to Varada suppliers Rs. 4,000 on account
- 30 Sent a debit note to Bharath Traders for over charge of Rs. 1,500
- 31 Varada suppliers returned defective goods of Rs. 1,000.

Q. No. 4. Record the following transaction in three column cash book and balance it.

Marks : 16

2012 August

- 01 Cash balance Rs. 15,000  
Bank balance Rs. 10,000
- 03 Paid Insurance premium by cheque Rs. 4,200
- 08 Cash sales Rs. 22,000
- 09 Payment for cash purchases Rs. 21,000
- 14 Withdrawn from bank for personal use Rs. 6,000
- 16 Withdrawn from bank for office use Rs. 14,500
- 20 Received cheque from John in full settlement for Rs. 10,800 and deposited the same into bank Rs. 10,700





- 23 Received cash from Michael Rs. 6,850 and discount allowed Rs. 150
- 25 Cheque received from Kumar Rs. 4,500
- 28 Cheque received from Kumar deposited into bank
- 31 Cheque deposited on August 28<sup>th</sup> dishonoured and returned from the bank Rs. 4,500
- 31 Rent paid by cheque Rs. 4,000.

Q. No. 5. On 1<sup>st</sup> July 2018, Baseer bought goods from Abdul for Rs. 15,000 and accepted two bills settlement, one for 8,000 due after 3 months and the other Rs. 7,000 due after 4 months. The first bill was met on the due date. The second bill was discounted on 4<sup>th</sup> August 2018 at 12% per annum. On the due date, the second bill was dishonoured and Abdul paid the amount due to the bank including noting charges Rs. 600. Pass journal entries in the books of Abdul and Baseer.

Marks : 16

Q. No. 6. Briefly explain accounting concepts and accounting conventions.

Marks : 16

Q. No. 7. From the following balances, prepare Trading and Profit and Loss Account and Balance Sheet as on March 31, 2018.

Marks : 16

Particulars	Amount (Rs.)	Amount (Rs.)
Drawings and capital	6,000	1,50,000
Cash at bank	14,000	—
Bills receivable	2,000	—
Land and building	43,000	—
Furniture	5,000	—
Discount allowed	4,000	—



Discount received	—	3,000
Bank charges	500	—
Salaries	6,500	—
Purchases and sales	2,00,000	2,82,000
Stock (Opening)	60,000	—
Sales returns and purchases returns	2,000	1,000
Provision for bad debts	—	4,000
Carriage	5,000	—
Rent and Taxes	7,500	—
General expenses	3,500	—
Plant and Machinery	31,000	—
Book debts and creditors	82,000	20,000
Loans	—	15,000
Bad debts	1,000	—
Insurance	2,000	—
	4,75,000	4,75,000

**Adjustments :**

- 1) Closing stock Rs. 70,000
- 2) Create a provision for bad and doubtful debts at 10% on book debts (Debtors)
- 3) Insurance prepaid for Rs. 500
- 4) Rent outstanding Rs. 1,500
- 5) Interest on loan is due at 6% per annum.



Q. No. 8. Write short note on **any two** of the following : Marks : 8×2=16

- (a) Difference between single entry and double entry system.
- (b) Accounting standards.
- (c) Difference between journal and ledger.

Q. No. 9. Answer **any two** of the following : Marks : 10×2=20

- (a) Difference between Receipts and Payments a/c and Income and Expenditure a/c.
- (b) Classify the following into Personal, Real and Nominal Accounts.

Sharath's a/c

Building a/c

Sales a/c

Debtors' a/c

Rent payable a/c

Life Insurance Company a/c

Vehicle a/c

Goodwill a/c

Sharada Vidya Mandira a/c

Salary a/c



- (c) From the following information of a Citizens Club, prepare the Receipts and Payments Account for the year ending 31-3-2018

Cash in hand on 01-04-2018 Rs. 1,000

Entrance fees received Rs. 1,000

Subscriptions received Rs. 75,000

Rent paid Rs. 9,000

Paid for printing and stationery Rs. 5,000

Newspaper and periodicals Rs. 5,800

Electricity charges Rs. 400

Furniture purchased Rs. 10,000

Sale of old newspapers Rs. 500

Life membership fees Rs. 2,000.

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