

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)
Chromepet, Chennai — 600 044.

B.B.A. END SEMESTER EXAMINATIONS NOVEMBER -2023

SEMESTER - I

20UBACT1002 - Financial Accounting

Total Duration : 2 Hrs 30 Mins.

Total Marks : 60

Section B

Answer any **SIX** questions ($6 \times 5 = 30$ Marks)

1. Describe the various concepts of accounting.
2. Prepare Journal in the books of KSG Co. from the following transactions:

1999		Rs.	1999		Rs.
Dec.1	Started business with a capital of	50,000	Dec.15	Purchased goods from Ram	4,000
Dec.6	Paid into bank	20,000	Dec.18	Paid wages to workers	300
Dec.8	Purchased goods for cash	4,000	Dec.20	Recd. from Pankaj	1,000
Dec.9	Paid to Ram	1,980	Dec.20	Allowed him discount	50
Dec.9	Discount allowed by him	20	Dec.22	Withdrawn from bank	3,000
Dec.10	Cash sales	3,000	Dec.25	Paid Ram by cheque	500
Dec.12	Sold to Hari for cash	2,000	Dec.31	Withdrawn for personal use	200

3. Prepare Profit and Loss account from the following particulars for the year ended March 31, 2021:

	₹
Gross Profit	4,50,000
Commission Received	40,000
Rent Received	20,000
Discount Received	25,000
Dividend Received	15,000
Administration Expenses	35,000
Selling Expenses	25,000
Distribution Expenses	28,000
Office Expenses	32,000
Trade Expenses	50,000
General Expenses	25,000
Carriage outward	15,000

4. Draw the format of receipts and payments account.
5. Rectify the following errors :
 - i) Salary paid ₹5,000 was debited to employee's personal account.
 - ii) Rent Paid ₹4,000 was posted to landlord's personal account.
 - iii) Goods withdrawn by proprietor for personal use ₹1,000 were debited to sundry expenses account.
 - iv) Cash received from Kohli ₹2,000 was posted to Kapur's account.
 - v) Cash paid to Babu ₹1,500 was posted to Sabu's account.

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6. On March 31, 2022, the cash book showed a balance of ₹6,700 as cash at the bank, but the bank passbook made up to the same date showed that cheques for ₹3,700; ₹3,300 and ₹3,180 respectively, had not been presented for payment. Also, a cheque amounting to ₹4,200 deposited into the account had not been credited. Prepare a bank reconciliation statement.
7. Examine the various causes of depreciation.
8. X and Y Bros. acquired a machine on July 1, 2008 at a cost of Rs.70,000 and spent Rs.5,000 on its installation. The firm writes off depreciation @ 10% on straight line method. The books are closed on December 31 every year. Show the machinery and depreciation account for three years.

Section C

Answer any **THREE** questions (3 × 10 = 30 Marks)

9. On April 1, 2017, Ram Chand Stores Cash Book showed debit balances of Cash Rs.1,550 and Bank Rs.13,575. During the month of April following business was transacted. You are required to prepare Cash Book.
April 2017
 - 02 Purchased Office Type-Writer for Cash Rs.750; Cash Sales Rs.1,315.
 - 07 Deposited Cash Rs.500 to bank.
 - 10 Received from Arun a check for Rs.2,550 in part payment of his account (not deposited).
 - 16 Paid by check for merchandise purchased worth Rs.1,005.
 - 20 Deposited into Bank the check received from Arun.
 - 22 Received from customer a check for Rs.775 in full settlement of his accounts (not deposited).
 - 24 Sold merchandise to A & B Bros. for Rs.1,500 who paid by check which was deposited into bank.
 - 26 Paid creditor a Saran Rs.915 by check.
 - 28 Deposited into Bank the check of customer of worth Rs.775 was dated 22nd April.
 - 29 Paid wages by cash Rs.500 and salary Rs.1,000 by bank.
 - 30 Drew from Bank for Office use Rs.250 and Personal use Rs.150.
10. From the following Trial Balance of Jindal Traders, prepare Trading and Profit & Loss Account for the year ending December 31, 2006 and Balance sheet as on that date:

Debit Balance	Rs.	Credit Balance	Rs.
Land&Building	60,000	Capital	96,000
Plant & Machinery	33,000	Sundry Creditors	15,000
Stock	12,000	Sales	60,000
Investment	15,000	Provision for B/d Doubtful Debts	1,100
Purchases	45,000	Loan	20,000
Wages	2,000	Rent Received in advance	1,000
Carriage	2,000	Commission Received	3,000
Salary	5,000	Bills payable	15,000
Rent	2,000		
Cash at Bank	3,000		
Sundry Debtors	30,000		
Discount	300		
Bad Debt	500		
Sales Returns	1,300		
	2,11,100		2,11,100

Additional Information:

- i) Closing stock valued at Rs.12,000.
- ii) Bad Debt Rs.500 and Provision for Bad & Doubtful Debts at 5%.

- iii) Salary outstanding Rs.1,000.
- iv) Commission Received in advance Rs.1,000.
- v) Depreciate Machinery @3% & Land and Buildings @2%.

11. The following is the Receipts and Payments Account of Star Citizen's Association, Bilaspur for the year ending on 31/03/2012.

Receipts and Payments Account for the year ending on 31/03/2012

Receipts	Amount (Rs.)	Payments	Amount (Rs.)
To Balance b/d	5,500	By Postage and Telegram	1,500
To Subscriptions		By Stationary Purchased	6,000
2010-2011 - 3,900		By Fixed Deposits	1,00,000
2011-2012 - 81,500		By Picnic Expenses	7,900
2012-2013 - <u>2,500</u>	87,900	By Salaries	20,000
To Entrance Fees	2,000	By Annual General - meeting expenses	4,500
(to be Capitalized)		By Insurance Premium	3,450
To Donations	50,000	By Sundry Expenses	4,800
To Legacies	10,000	By Furniture	26,000
To Interest on Deposits	30,000	By Balance c/d	17,000
To Picnic Receipts	5,750		
	1,91,150		1,91,150

Adjustments:

- a) Outstanding Picnic Receipts Rs.4,250.
- b) Furniture was purchased on 01/10/2011 and it is to be depreciated @ 10% p.a.
- c) Outstanding subscriptions for current year Rs.8,200.
- d) Stock of Stationery on 01/04/2011 was Rs.650 and on 31/03/2012 was Rs.1,150.
- e) Entries on amount of legacies and 50% of Donations are to be capitalized.

With the above information, you are required to prepare Income and Expenditure Account for the year ending on 31/03/2012.

12. Overdraft shown by the passbook of Mr.Murli is ₹20,000. Prepare bank reconciliation statement on dated December 31, 2017.

- (i) Bank charges debited as per passbook ₹500.
- (ii) Cheques recorded in the cash book but not sent to the bank for collection ₹2,500.
- (iii) Received a payment directly from customer ₹4,600.
- (iv) Cheque issued but not presented for payment ₹6,980.
- (v) Interest credited by the bank ₹100.
- (vi) LIC paid by bank ₹2,500.
- (vii) Cheques deposited with the bank but not collected ₹3,500.

13. Explain various method of providing depreciation.
