



0232/3045/1604/1704

I Semester 5 Year B.B.A.LL.B./B.Com.LL.B./II Semester 5 Year B.B.A.LL.B./B.Com.LL.B.
Examination, January/February 2026 (Odd Sem.)
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 the remaining questions carry 16 marks each.
 3. Answer should be written in English completely.
 4. Simple calculators may be used.

Q. No. 1. What is Accounting Standards ? Explain any 4 Accounting Standards. Marks : 16

Q. No. 2. From the following information prepare Ledger Accounts. Marks : 16

2020

- March
- 1 Commenced business with cash ₹ 1,00,000
 - 2 Bought machinery for ₹ 30,000
 - 3 Bought goods for cash ₹ 5,000
 - 5 Sold goods for cash ₹ 4,000
 - 6 Credit sales to Harish ₹ 3,400
 - 7 Bought goods from Kavita ₹ 1,920
 - 10 Paid wages ₹ 3,000
 - 11 Paid electricity charges ₹ 3,500
 - 12 Cash withdrew for personal use ₹ 3,000.

Q. No. 3. Enter the following transactions in a three-column cash book. Marks : 16

2012

- June
- 1 Cash in hand ₹ 3,065 and Cash at Bank ₹ 6,780
 - 2 Cash paid to Petty Cashier ₹ 1,000
 - 3 Received cheque from Priya ₹ 3,000
 - 4 Cash sales of ₹ 18,200
 - 5 Deposited into bank ₹ 1,200
 - 6 Priya's cheque deposited into bank.
 - 8 Purchased furniture and paid by cheque ₹ 14,050
 - 13 Bank charges ₹ 300
 - 15 Dividend collected by bank ₹ 1,200
 - 17 Cash purchases ₹ 2,000
 - 21 Goods sold and received a cheque, sent to bank on the same day ₹ 6,000.
 - 23 Drew from bank personal use ₹ 2,000
 - 30 Commission received ₹ 2,500 by cheque, paid immediately into the Bank.

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Q. No. 4. Prepare Financial Statements for the year ending on March 31, 2020 from the following Trial Balance and Adjustments.

Marks : 16

Trial Balance as on 31-3-2020

| Name of the Accounts | Debit (₹) | Credit (₹) |
|------------------------------------|-----------------|-----------------|
| Drawings and capital | 15,000 | 50,000 |
| Purchases and sales | 40,000 | 70,000 |
| Returns | 2,000 | 3,000 |
| Wages | 4,000 | - |
| Salary | 8,000 | - |
| Debtors and Creditors | 12,000 | 10,000 |
| Bills Receivable and Bills Payable | 5,000 | 4,000 |
| Furniture | 15,000 | - |
| Opening stock | 13,000 | - |
| General expenses | 3,000 | - |
| Insurance | 1,000 | - |
| Cash and Bank Balance | 19,000 | - |
| Total | 1,37,000 | 1,37,000 |

Adjustments :

- 1) Closing stock ₹ 20,000
- 2) Insurance prepaid ₹ 200
- 3) Provision for doubtful debts @ 5%
- 4) Depreciate furniture by 10% p.a.

Q. No. 5. From the following transactions prepare subsidiary books.
2019

Marks : 16

- Nov. 1 Purchased 20 bags of rice from Anand of Koppal at ₹ 600 per bag.
Purchased from Vinod, Bangalore 10 boxes of tea powder at ₹ 200 per box.
- Nov. 2 Sold to Dinesh 10 bags of rice at ₹ 250 per bag.
Sold to Kiran 6 boxes of tea powder at ₹ 300 per box.
- Nov. 4 Sold 10 bags of sugar to Vinod ₹ 500 per bag and sold wheat flour of 10 bags to Vinod at ₹ 250 per bag.
at 10% trade discount to both.
- Nov. 6 Purchased from Dharma 20 bags of wheat flour at ₹ 200 per bag
@ 5% trade discount.
Purchased from Anjan 40 bags of Sugar on ₹ 16,000.
- Nov. 7 Purchased 20 dozens of biscuits at ₹ 100 per dozen.



Q. No. 6. Cricket club of Mangalore was started on 1-4-2018. It's Receipts and Payments Account for the year ending 31-3-2019 was as follows : Marks : 16

Receipts and Payments A/c for the year ending 31-3-2019

| Receipts | Dr. (₹) | Payments | Cr. (₹) |
|-------------------------|-----------------|------------------------|-----------------|
| To Donations | 60,000 | By Tournament Expenses | 10,300 |
| To Tournament fund | 22,000 | By Furniture | 15,800 |
| To Life membership fees | 5,000 | By Sports equipment | 30,100 |
| To Entrance fees | 1,000 | By Honorary | 14,000 |
| To Fees from function | 24,000 | By Other expenses | 6,000 |
| To Subscriptions | 10,000 | By Printing | 1,200 |
| | | By Rent | 2,500 |
| | | By Salaries | 7,000 |
| | | By Postage | 330 |
| | | By FD in Bank | 30,000 |
| | | By Cash balance | 4,770 |
| | 1,22,000 | | 1,22,000 |

Adjustments :

- 1) Expenses outstanding
Salaries ₹ 2,500
Printing ₹ 1,000
- 2) Subscriptions due for 2018 – 19 for ₹ 2,000.
- 3) Sports equipments on 31-3-2019 were valued at ₹ 25,100 and postage stamps on hand ₹ 100.
- 4) Entrance fees and life membership fees are to be capitalized.

Prepare :

- 1) Income and Expenditure Account
- 2) Balance Sheet as on 31-3-2019.

Q. No. 7. What is trial balance ? Why it is prepared and draw a format of Trial balance with minimum 10 imaginary items. Marks : 16

Q. No. 8. Write short note on **any two** of the following. Marks : 2x8=16

- (a) Accounting concepts and conventions
- (b) Features of computerised accounting
- (c) Distinguish between Trial Balance and Balance Sheet.

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Marks : 2×10=20

Q. No. 9. Solve **any two** of the following problems.

(a) Group the following accounts in personal, real and nominal accounts.

- i) Capital A/c
- ii) Building A/c
- iii) Furniture A/c
- iv) Salary A/c
- v) Suresh A/c
- vi) Machinery A/c
- vii) Dividend A/c
- viii) Mr. Ramu A/c
- ix) Advertisement A/c
- x) Cash A/c.

(b) Explain the final accounts of Non-trading organisations.

(c) Explain the various factors to be considered while sourcing accounting software for a business.

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I Semester 5 Year B.B.A.LL.B./B.Com.LL.B./II Semester 5 Year
B.B.A.LL.B./B.Com.LL.B. Examination, January/February 2025 (Odd Sem.)
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 completely.
 4. Use simple calculator.

Q. No. 1. What is double entry system of book keeping ? Explain its advantages and limitations. Marks : 16

Q. No. 2. Journalise the following transactions in the books of Bhuvan Traders. Marks : 16

2022

- Jan. 01 Bhuvan started his business with cash of ₹ 1,00,000
Jan. 02 Opened a bank account with SBI and deposited a cash of ₹ 30,000
Jan. 04 Purchased goods from Asha ₹ 20,000
Jan. 06 Sold goods to Rahul for cash ₹ 15,000
Jan. 10 Bought goods from Tara for cash ₹ 15,000
Jan. 13 Sold goods to Suman ₹ 20,000
Jan. 16 Received a cheque ₹ 19,500 from Suman and allowed him discount of ₹ 500
Jan. 20 Cheque issued to Asha ₹ 10,000
Jan. 23 Rent paid by cheque ₹ 2,000
Jan. 24 Cash deposited into bank ₹ 16,000
Jan. 25 Machines purchased from HMT Ltd. ₹ 10,000
Jan. 26 Trade expenses paid in cash ₹ 2,000
Jan. 27 Cheque issued to HMT Ltd. ₹ 10,000
Jan. 29 Telephone expenses paid by cheque ₹ 1,200
Jan. 31 Paid salary ₹ 4,500.

Q. No. 3. Prepare three column cash book from the following transactions.

Marks : 16

2022

- Jan. 01 Cash in hand ₹ 4,000
Bank overdraft ₹ 3,200
Jan. 05 Cash sales ₹ 9,000

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- Jan. 09 Purchased goods and paid by cheque ₹ 2,000
 Jan. 09 Purchased furniture for cash ₹ 2,200
 Jan. 11 Cash paid to Mr. Rohit ₹ 2,000
 Jan. 14 Cash deposited into bank ₹ 7,000
 Jan. 16 Bank charged interest on overdraft ₹ 200
 Jan. 25 Sale of goods and received a cheque of ₹ 3,000
 Jan. 27 Rent paid by cheque ₹ 800
 Jan. 28 Paid wages by cheque ₹ 500
 Jan. 29 Drew cash for personal use ₹ 500
 Jan. 30 Paid salary ₹ 1,000
 Jan. 31 Interest collected by bank ₹ 1,700.

Q. No. 4. Journalise the following transactions in the books of Mr. Suresh and prepare Cash A/c, Bank A/c, Sales and Furniture A/c. Marks : 16
 2023

- Mar. 01 Started business with following :
 Cash ₹ 10,000
 Goods ₹ 20,000
 Furniture ₹ 10,000
 Mar. 05 Purchased goods from Asha on credit ₹ 10,000
 Mar. 07 Paid into bank ₹ 12,000
 Mar. 08 Sold goods for cash ₹ 8,000
 Mar. 10 Paid cash to Asha ₹ 9,800 in full settlement of her account
 Mar. 12 Sold goods to Naveen on credit ₹ 20,000
 Mar. 15 Purchased furniture and paid by cheque ₹ 4,000
 Mar. 18 Received cash from Naveen ₹ 19,500 and allowed him discount ₹ 500
 Mar. 28 Withdrew cash for office use ₹ 2,000.

Q. No. 5. From the following Trial Balance prepare Trading and Profit and Loss A/c and Balance Sheet as on 31/Mar./2023. Marks : 16

| Particulars | Dr. | Cr. |
|----------------------|--------|----------|
| | ₹ | ₹ |
| 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 return and purchase return | 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 ₹ 70,000.
- 2) Create a provision for bad and doubtful debts @ 10% on book debts.
- 3) Insurance prepaid for ₹ 500.
- 4) Rent outstanding ₹ 1,500.
- 5) Interest on loan is due @ 6% p.a.

Q. No. 6. Explain the advantages and limitations of computerized accounting. Marks : 16

Q. No. 7. The following is the Receipt and Payment A/c of Mangalore Literary Club for the year ended 31st Dec. 2023. Marks : 16

| Receipts | Amount | Payments | Amount |
|--------------------------|---------------|--------------------|---------------|
| | ₹ | | ₹ |
| To Bal. b/d | 319 | By Rent and rates | 168 |
| " Subscriptions | 16,000 | " Wages | 245 |
| " Donations | 4,200 | " Lighting charges | 72 |
| " Life membership fee | 2,500 | " Lecturer's fees | 435 |
| " Interest | 260 | " Books | 213 |
| " Proceeds from Lectures | 420 | " Office expenses | 450 |
| | | " Fixed deposits | 8,000 |
| | | " Cash in hand | 1,000 |
| | | " Cash at bank | 13,116 |
| | 23,699 | | 23,699 |



At the beginning of the year, the club possessed books worth ₹ 2,000 and furniture worth ₹ 850 subscriptions in arrears at the beginning of the year amounted to ₹ 35 and at end of the year ₹ 45 and rent and rates outstanding at the beginning of the year amounted to ₹ 60 and at the end of year ₹ 50.

Prepare Income and Expenditure Account of the club for the year 31st Dec. 2023 and its Balance Sheet as on that date after writing ₹ 150 off books and ₹ 50 off furniture.

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

- (a) Accounting standards.
- (b) Computerised accounting.
- (c) Final accounts of non-trading concern.

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

(a) How do you treat the following items in the final accounts of non-trading organization ?

- (i) Honorarium
- (ii) Subscription
- (iii) Life membership fees
- (iv) Legacy
- (v) Entrance fee
- (vi) Sale of old newspapers
- (vii) Cost of maps purchased by college
- (viii) Donations
- (ix) Endowment fund
- (x) Painting of old building.

(b) Enter the following transactions in the proper subsidiary books.

2023

- | | |
|---------|---|
| Jan. 1 | Purchased goods from Sharath ₹ 3,500 |
| Jan. 2 | Bought from Kiran ₹ 4,500 on account less 5% discount |
| Jan. 4 | Sold goods to Ashwin ₹ 4,500 |
| Jan. 7 | Sold goods to Sunder ₹ 4,000 |
| Jan. 12 | Credit sales to Raju and Sons ₹ 15,000 |
| Jan. 15 | Credit purchases from Anand ₹ 10,000 |
| Jan. 18 | Dinesh bought from us on account ₹ 5,000 |
| Jan. 24 | Cash sales to Vinay ₹ 3,000 |
| Jan. 25 | Bought 15 units from Jayanth @ ₹ 200 per unit. |
| Jan. 30 | Purchase from Raghu ₹ 4,000. |

(c) Explain the various types of accounting software and its merits.



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**Second Semester 5 Year B.B.A., LL.B. Examination, March/April 2024
(Odd Sem.)
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 the remaining questions carry 16 marks each.
 3. Answers should be written in English completely.
 4. Use simple calculator only.

Q. No. 1. What do you mean by Accounting ? Explain any 8 Accounting Concepts. Marks : 16

Q. No. 2. Journalise the following transactions. Marks : 16

| 2024 | | ₹ | |
|-------|----|-------------------------------------|--------|
| March | 1 | Commenced business with cash | 15,000 |
| " | 2 | Bought goods from Pandit & Co. | 4,000 |
| " | 4 | Bought office furniture | 1,200 |
| " | 5 | Sold goods to Prasad | 2,500 |
| " | 7 | Purchased goods for cash | 600 |
| " | 8 | Sold goods for cash | 900 |
| " | 9 | Paid Pandit & Co. on account | 3,000 |
| " | 10 | Returned goods to Pandit & Co. | 200 |
| " | 12 | Received goods returned from Prasad | 100 |
| " | 13 | Received from Prasad on account | 1,500 |
| " | 15 | Purchased goods from Murthy | 1,000 |
| " | 16 | Sold goods to Govind | 1,800 |
| " | 18 | Paid Murthy on account | 1,000 |

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| | | | |
|---|----|---------------------------------|-------|
| " | 19 | Received from Govind on account | 1,800 |
| " | 21 | Paid for office stationery | 50 |
| " | 23 | Received commission | 550 |
| " | 24 | Cash sales | 750 |
| " | 26 | Paid for advertisement | 250 |
| " | 27 | Paid for rent | 300 |
| " | 28 | Paid for salaries | 700 |
| " | 30 | Withdrawn cash for personal use | 800 |
| " | 31 | Paid for wages | 150 |

Q. No. 3. Enter the following in a three column cash book for the year 2022.

Marks : 16

| | | |
|-------|----|--|
| March | 1 | Cash Balance ₹ 400 |
| " | 2 | Cash received by sales of shares ₹ 24,000 |
| " | 4 | Cash paid into bank ₹ 20,000 |
| " | 6 | Paid Joseph by cheque ₹ 4,800 and discount allowed by him ₹ 200 |
| " | 8 | Received from Girish by cheque ₹ 3,820 and allowed him discount ₹ 80 |
| " | 10 | Paid cheque of Girish into bank ₹ 3,820 |
| " | 16 | Bought goods for cash ₹ 500 |
| " | 20 | Paid for stationery in cash ₹ 500 |
| " | 22 | Drew from bank for office use ₹ 1,200 |
| " | 24 | Received for cash sales ₹ 800 |
| " | 25 | Received from Ravi ₹ 6,300 and allowed him discount ₹ 200 |
| " | 25 | Cash paid into bank ₹ 800 |
| " | 26 | Issued cheque for purchases ₹ 800 |
| " | 27 | Drew by cheque for personal use ₹ 400 |
| " | 28 | Paid salary in cash ₹ 1,000 |
| " | 31 | Received cheque from Sameer and paid into bank ₹ 800. |



Q. No. 4. Enter the following transactions of M/s. Ketan in respective subsidiary books. Marks : 16
2021

- March 1 Sold goods to Sudhir Stores ₹ 29,000 at 10% trade discount
- " 3 Purchased goods from Meghdoot Traders ₹ 37,350 and paid carriage ₹ 150
- " 6 Sudhir Stores returned goods at ₹ 3,220 (Net)
- " 10 Cash purchases ₹ 18,600 and cash sales ₹ 61,000
- " 13 Jayesh invoiced goods to us as per our order placed on 28th Feb. 2011 ₹ 27,000
- " 17 Sold goods worth ₹ 33,400 to Nandini at 10% trade discount.
- " 20 Returned goods to Jayesh ₹ 2,850 as they were defective.
- " 22 Credit purchases from Micky Traders ₹ 19,450 and they allowed a trade discount of ₹ 150.
- " 23 Nandini returned goods of ₹ 1,900 less 10% trade discount as they were damaged.
- " 26 Purchased office furniture on credit from Suhani Furniture Mart ₹ 55,000
- " 29 Purchased goods from Garima Stores for ₹ 8,000
- " 31 Sent a debit note to Micky Traders for ₹ 3,200

Q. No. 5. From the following Trial Balance, prepare the Final Accounts and Balance Sheet as on 31-12-1999. Marks : 16

| | | |
|---------------------|--------|--------|
| Capital | — | 25,000 |
| Drawings | 2,500 | — |
| Plant and Machinery | 3,000 | — |
| Land and Building | 5,000 | — |
| Purchases | 40,000 | — |
| Sales | — | 50,000 |



| | | |
|-------------------------|---------------|---------------|
| Returns | 5,000 | 4,000 |
| Stock (1-1-1999) | 7,500 | — |
| Furniture | 5,000 | — |
| Salaries | 750 | — |
| Insurance | 200 | — |
| Rent | 400 | — |
| Debtors | 7,600 | — |
| Creditors | — | 5,500 |
| Bills receivable | 2,400 | — |
| Bills payable | — | 2,000 |
| Commission | — | 300 |
| Interest | — | 100 |
| Carriage inwards | 300 | — |
| Wages | 1,200 | — |
| Investments | 2,000 | — |
| Printing and stationery | 800 | — |
| Cash in hand | 3,250 | — |
| | 86,900 | 86,900 |

Adjustments :

- 1) Closing stock was valued at ₹ 13,000
- 2) Outstanding expenses were : Rent ₹ 200, Wages ₹ 400 and Salary ₹ 300.
- 3) Insurance was prepaid to the extent of ₹ 50.
- 4) Depreciate land and building at 5% and plant and machinery at 10%.
- 5) Make provision for doubtful debts at 5% on debtors.



Q. No. 6. Generous Charity Club presents following information. Marks : 16

Receipts and Payments A/c as on 31-12-2023

| Receipts | | ₹ | Payments | | ₹ |
|-------------------|----------|------------------|-------------------|----------|------------------|
| To Opening Cash | | | By Salaries | 3,00,000 | |
| Balance | 1,00,000 | | By Tour expenses | 50,000 | |
| To Subscriptions | 6,00,000 | | By Furniture | 40,000 | |
| To Donations | 3,00,000 | | By Printing and | | |
| To Rent | 25,000 | | Stationery | 12,000 | |
| To Misc. Receipts | 10,000 | | By Instruments | 2,50,000 | |
| | | | By Newspapers | 1,500 | |
| | | | By Misc. expenses | 20,000 | |
| | | | By Balance c/d | 3,61,500 | |
| | | 10,35,000 | | | 10,35,000 |

Balance Sheet as on 31-12-2023

| Liabilities | | ₹ | Assets | | ₹ |
|-------------------------|-----------|------------------|---------------|-----------|------------------|
| O/S salaries | 20,000 | | Furniture | 1,00,000 | |
| Tour expenses due | 20,000 | | Buildings | 10,00,000 | |
| Printing and stationery | | | Books | 10,000 | |
| due | 5,000 | | Investments | 2,00,000 | |
| Capital fund | 15,25,000 | | Music Inst. | 1,00,000 | |
| | | | Subscriptions | 50,000 | |
| | | | Accrued rent | 10,000 | |
| | | | Cash | 1,00,000 | |
| | | 15,70,000 | | | 15,70,000 |

Adjustments :

- 1) Outstanding expenses as on 31-12-2023 were Salaries ₹ 25,000, Tour exps. ₹ 5,000 and printing ₹ 2,000.
 - 2) Depreciate Building 10% and furniture by 15% p.a.
- Prepare Income and Expenditure A/c and Balance Sheet for the year 31-12-2023.



Q. No. 7. What are life membership fees ? Distinguish between Receipts and Payments A/c and Income and Expenditure A/c.

Marks : 16

Q. No. 8. Answer **any two** of the following.

Marks : 2×8=16

(a) What are Non-trading concerns ? Distinguish between capital expenditure and revenue expenditure.

(b) How do you adjust the following ?

- 1) Outstanding salaries
 - 2) Closing stock
 - 3) Prepaid Insurance
 - 4) Depreciation
 - 5) Outstanding commission earned
 - 6) Doubtful debts
 - 7) Free samples
 - 8) Interest on capital.
- (c) Short note on Tally.

Q. No. 9. Answer **any two** of the following.

Marks : 2×10=20

(a) Explain the factors to be considered before the implementation of computerised accounting.

(b) Explain the features of computerised accounting.

(c) From the following, prepare Trading and P/L Account.

| | ₹ |
|------------------|----------|
| Purchases | 72,000 |
| Sales | 1,43,000 |
| Opening stock | 5,000 |
| Carriage inwards | 2,500 |
| Wages | 17,500 |



| | |
|---------------------|--------|
| Carriage outwards | 1,200 |
| Insurance (factory) | 500 |
| Factory rent | 4,500 |
| Commission earned | 2,000 |
| Discount earned | 1,000 |
| Bad debts | 500 |
| Returns (inward) | 2,000 |
| Return outwards | 2,000 |
| Closing stock | 10,000 |
| Trade Expenses | 500 |
| General Expenses | 1,000 |



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Second Semester 5 Year B.B.A., LL.B. Examination, September/October
2023 (June 2023)
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 the remaining questions carry 16 marks each.
3. Answer should be written in English completely.
4. Use simple calculator.

Q. No. 1. What is double entry system of book keeping ? What are its advantages and disadvantages ? Marks : 16

Q. No. 2. Journalise the following transactions in the books of Kishore Marks : 16

2012

- June 1 Commenced business with Cash ₹ 10,000, Goods ₹ 20,000, Furniture ₹ 5,000
- June 2 Deposited to Bank ₹ 8,000
- " 5 Bought goods from Raju and Co. ₹ 15,000
- " 8 Purchased typewriter for office use ₹ 6,000
- " 12 Paid Raju and Co. by cheque ₹ 6,000
- " 15 Sold goods to Sameer ₹ 30,000
- " 16 Returned goods to Raju and Co. ₹ 1,000
- " 18 Received from Sameer on account ₹ 15,000
- " 20 Received interest ₹ 500
- " 21 Bought office Stationery ₹ 200
- " 23 Paid office rent by cheque ₹ 900
- " 25 Withdrew cash from office for personal use ₹ 2,500

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- " 26 Sold goods for cash ₹ 1,500
- June 27 Received cash from Sameer ₹ 9,000
and allowed him discount ₹ 1,000
- " 28 Remitted to Raju and Co. ₹ 8,800 in full settlement of his account
₹ 10,000
- " 29 Paid for stationery ₹ 600, Postage stamps ₹ 300
- " 30 Paid salary by cheque ₹ 3,000.

Q. No. 3. Enter the following in three column cash book.

Marks : 16

April 2012

- " 1 Balance of cash in hand ₹ 28,000 and at Bank ₹ 15,000
- " 2 Purchased goods for cash ₹ 4,500
- " 5 Cash sales ₹ 8,000
- " 8 Received cheque from Viraj for ₹ 1,900 and allowed him discount
₹ 100
- " 12 Printing charges paid ₹ 500
- " 13 Deposited Viraj's cheque into Bank
- " 19 Withdrawn from bank for personal use ₹ 2,000
- " 21 Bought goods from Suresh ₹ 6,000 and paid him by cheque
- " 25 Paid Madan ₹ 4,000 and he allowed a discount of ₹ 150
- " 27 Paid rent by cheque ₹ 3,400
- " 28 Paid Salary ₹ 4,500
- " 29 Paid cash into bank ₹ 4,000
- " 30 Received ₹ 2,500 from Raju.

Q. No. 4. From the following trial balance, prepare trading, P/L a/c and
Balance Sheet as on 31-12-2012.

Marks : 16

| | Dr. | Cr. |
|---------------------|-------|--------|
| Capital | — | 25,000 |
| Drawings | 2,500 | — |
| Plant and Machinery | 3,000 | — |



| | | |
|-------------------------|---------------|---------------|
| Land and Building | 5,000 | — |
| Purchases and Sales | 40,000 | 50,000 |
| Returns | 5,000 | 4,000 |
| Opening stock | 7,500 | — |
| Furniture | 5,000 | — |
| Salaries | 750 | — |
| Insurance | 200 | — |
| Rent | 400 | — |
| Debtors and Creditors | 7,600 | 5,500 |
| B/R and B/P | 2,400 | 2,000 |
| Commission | — | 300 |
| Interest | — | 100 |
| Carriage inwards | 300 | — |
| Wages | 1,200 | — |
| Investment | 2,000 | — |
| Printing and Stationery | 800 | — |
| Cash in hand | 3,250 | — |
| | 86,900 | 86,900 |

Adjustments :

- (1) Closing stock ₹ 13,000
- (2) Outstanding liabilities :
Rent ₹ 200, Wages ₹ 400, Salary ₹ 300
- (3) Insurance prepaid ₹ 50
- (4) Depreciate land and Buildings @ 5% and Plant and Machinery @ 10%.



Q. No. 5. From the following particulars, prepare Income and Expenditure a/c and Balance Sheet as at 31-12-2012.

Marks : 16

Balance Sheet as on 1-1-2012

| Liabilities | ₹ | Assets | ₹ |
|------------------------|-----------------|-----------------------------|-----------------|
| Capital fund | 80,000 | Buildings | 40,000 |
| Reserve fund | 10,000 | Furniture | 10,000 |
| Bank loan | 10,000 | Sports materials | 30,000 |
| Subscriptions for 2012 | 2,000 | Investments | 20,000 |
| O/S Salary | 2,000 | O/S Interest on investments | 500 |
| | | Subscriptions | 1,500 |
| | | Cash in hand | 2,000 |
| | 1,04,000 | | 1,04,000 |

Receipts and Payments a/c 31-12-2012

| Receipts | ₹ | Payments | ₹ |
|------------------|---------------|-------------------------------|---------------|
| To Bal. b/d | 2,000 | By Sports mat. | 20,000 |
| To Subscriptions | | By Salaries | |
| 2011 | 1,500 | 2011 – 2,000 | |
| 2012 | 40,000 | 2012 – 8,000 | 10,000 |
| 2013 | 2,000 | By Postage | 500 |
| To Entrance fees | 4,000 | By Printing | 1,500 |
| | | By Newspapers and Periodicals | 6,000 |
| | | By Fixed deposits | 8,000 |
| | | By Bank loan | 8,000 |
| | | By Investments | 20,000 |
| | | By Bal. c/d | 2,500 |
| | 76,500 | | 76,500 |



Adjustments :

- (1) Subscriptions for 2012 ₹ 2,000.
- (2) Entrance fees are to be capitalised.
- (3) Depreciate furniture by 5%, sports material by 5%.
- (4) O/S salaries ₹ 1,500.
- (5) Prepaid expenses were : Printing ₹ 200, periodicals ₹ 1,000.

Q. No. 6. Explain the different types of subsidiary books. Explain its features and advantages. Marks : 16

Q. No. 7. Explain the factors to be considered to implement computerised accounting. Marks : 16

Q. No. 8. Answer **any two** of the following : Marks : 2×8=16

- (a) Difference between single entry system and double entry system.
- (b) Difference between capital expenditure and revenue expenditure.
- (c) Difference between profit and loss a/c and income and expenditure a/c.

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

- (a) Classify into capital and revenue :
- 1) Life membership fees
 - 2) Sale of old sports materials
 - 3) Subscriptions
 - 4) Tuition fees
 - 5) Prize amount of ₹ 1,00,000 received from lottery.
 - 6) Legacies



- 7) Endowment fund
- 8) Painting of old building
- 9) Donations
- 10) Sale of old newspapers.

(b) Enter the following in concerned subsidiary books.

2014

- Nov. 1 Purchased from Hari, ₹ 15,000
 " 2 Sold to Raju ₹ 12,000
 " 3 Bought from Dinesh ₹ 8,000
 " 10 Kumar sold goods to us ₹ 12,000
 " 16 Basu purchased goods from us ₹ 16,000
 " 18 Bought goods from Nitin @ 10% Trade discount
 ₹ 20,000
 " 20 Sold goods to Amar ₹ 14,000
 " 25 Bought from Pavan on credit
 300 Kgs of rice @ ₹ 40 per kg.
 500 Kgs of wheat @ ₹ 50 per kg.
 " 26 Bought computer from Anand for cash ₹ 20,000
 " 30 Sold goods to Vivek for cash ₹ 16,000.

(c) From the following : Prepare Income/Expenditure account and Balance Sheet.

Marks :10

Receipts and Payments a/c 31-12-2016

| Receipts | ₹ | Payments | ₹ |
|------------------|--------|---------------------|-------|
| To Balance b/d | 5,000 | By Salaries | 3,000 |
| To Subscriptions | 11,000 | By Sports materials | |
| To Entrance fees | 900 | purchased | 5,000 |



| | | | |
|------------------|---------------|--------------------|---------------|
| To Sports fees | 7,000 | By Purchase of | |
| To Sale of old | | furniture | 5,000 |
| newspapers | 100 | By Rent and Taxes | 4,000 |
| To Donations for | | By Investments | 2,000 |
| Pavilion | 4,000 | By Sports expenses | 6,000 |
| | | By Misc. expenses | 500 |
| | | By Bal. c/d | 2,500 |
| | 28,000 | | 28,000 |

Journal entries for the month of May 2017:

- May 1: Commenced business with cash \$10,000
- Furniture \$2,000
- May 7: Deposited to bank \$10,000
- B. ...
- 4 - Purchased equipment for \$1,000
- 12 - Paid rent for the month \$1,000
- 15 - Sold goods for \$1,000
- 16 - Received from ...
- 18 - Deposited in bank \$1,000
- 20 - Received interest \$500
- 21 - Bought office equipment \$1,000
- 22 - Paid office rent \$1,000
- 28 - ...



0232

II Semester 5 Year B.B.A. LL.B. Examination, March/April 2023 (Dec. 2022)
FINANCIAL ACCOUNTING

Duration : 3 Hours

Max. Marks : 100

Instructions : 1. Answer Q. 9 and any five of the remaining questions.

2. Q. No. 9 carries 20 marks and the remaining questions carry 16 marks each.

3. Answers should be written in English only completely.

4. Use simple calculator only.

Q. No. 1. Give the meaning of accounting. Explain the functions of accounting. Explain accounting conventions. Marks : 16

Q. No. 2. State the account to be debited and the account to be credited for each of the following along with its type of account. Marks : 16

- a) Commenced business with ₹ 20,000
- b) Purchased goods from Ajay ₹ 4,000 on credit
- c) Purchased goods from Vijay ₹ 2,000 for cash
- d) Paid cash ₹ 1,600 to Ajay on account
- e) Returned goods worth ₹ 200 to Ajay
- f) Purchased furniture from Sanjay ₹ 600 on credit
- g) Purchased Machinery for cash ₹ 1,000
- h) Sold goods to A ₹ 1,800 on credit
- i) Sold goods to B ₹ 200 for cash
- j) Received cash ₹ 800 from A on account
- k) A returned goods worth ₹ 100
- l) Paid salary ₹ 1,400 to accountant
- m) Paid landlord office rent ₹ 300
- n) Paid wages ₹ 160
- o) Paid for stationery purchased ₹ 40
- p) Paid advertisement charges ₹ 240

P.T.O.



- q) Received interest on bank deposit ₹ 500
- r) Received dividend on shares ₹ 60
- s) Received commission ₹ 400
- t) Withdrawn cash ₹ 200 for personal expenses
- u) Deposited cash into bank ₹ 6,000
- v) Withdrawn cash from bank for office use ₹ 1,000
- w) Bought postal stamps ₹ 50
- x) Received loan from Shankar ₹ 1,000
- y) Gave loan to Bhaskar ₹ 500
- z) Cash purchases ₹ 5,000

Q. No. 3. From the following transactions, prepare three column cash book.

Marks: 16

2022

March

- 1 Balance of Cash ₹ 5,000 and Bank ₹ 12,000
- 2 Cash sales ₹ 11,000
- 6 Received cash ₹ 10,800 from Mr. A and allowed discount ₹ 200
- 8 Paid cash ₹ 3,000 to Mr. B
- 9 Received a cheque of ₹ 10,700 from Mr. C, and allowed discount ₹ 300
- 11 Issued a cheque of ₹ 4,000 towards Rent
- 13 Deposited the cheque received on March 9th into the bank
- 15 Received a cheque from Mr. D for ₹ 5,900, allowed him a discount of ₹ 100 and deposited the cheque into bank
- 17 Deposited cash into the bank ₹ 1,000
- 19 Issued a cheque for ₹ 3,000 to Mr. B
- 23 Withdrawn cash from Bank for office use ₹ 2,000
- 25 Paid by cheque to Mr. 'E' ₹ 8,900 in settlement of ₹ 9,000
- 27 Withdrew from Bank for personal use ₹ 4,000
- 31 Received a crossed cheque for ₹ 25,000 towards dividend.



Q. No. 4. Enter the following transactions in the appropriate Subsidiary Books. Marks : 16

2022

March

- 1 Bought 5 dozens of Accountancy books from Archana Stores at ₹ 120 per book
- 3 Sold 60 Management books to Chetan Stores at ₹ 40 per book
- 5 Purchased 50 Economics books at ₹ 70 per book from Amar Book Stores, less 10%
- 8 Bought Machinery worth ₹ 4,000 from Ganesh Stores
- 10 Returned 5 Accountancy Books to Archana Stores
- 12 Sold 10 dozens note books to Triveni Stores at ₹ 12 per book
- 15 Chetan stores returned 4 Management books
- 17 Bought goods worth ₹ 1,800 from Anil Stores
- 21 Returned 8 Economics books to Archana Stores
- 23 Sold goods worth ₹ 4,000 to Balaji Stores
- 25 120 English books sold to Ganesh Stores at ₹ 240 per dozen
- 27 Goods worth ₹ 400 sent back to Anil Stores
- 30 Sent credit note to Balaji Stores for ₹ 500

Q. No. 5. Post the following transactions into the ledger and balance them. Marks : 16

2022

June

- 1 Started business with cash ₹ 4,00,000
- 8 Opened a Bank A/c with Syndicate Bank ₹ 80,000
- 12 Goods purchased on credit from M/s Gulmohar Fashion House ₹ 30,000
- 15 Purchased office machine and paid by cheque ₹ 20,000
- 18 Rent paid by cheque ₹ 5,000
- 20 Sale of goods to M/s Mohit Brothers on credit ₹ 20,000
- 22 Cash sales ₹ 30,000
- 25 Cash paid to M/s Gulmohar Fashion House – ₹ 30,000



Q. No. 6. The following balances were extracted from the books of M/s Panchsheel Garments on March 31-03-2022.

Marks : 16

Trial Balances as on 31-3-2022

| Names of Accounts | Debit (₹) | Credit (₹) |
|------------------------------------|-----------------|-----------------|
| Opening stock | 16,000 | - |
| Purchases and sales | 67,600 | 1,12,000 |
| Return inwards and return outwards | 4,600 | 3,200 |
| Carriage inwards | 1,400 | - |
| General expenses | 2,400 | - |
| Insurance | 4,000 | - |
| Scooter repair expenses | 200 | - |
| Salary | 9,000 | - |
| Cash in hand | 4,000 | - |
| Scooter | 8,000 | - |
| Furniture | 5,000 | - |
| Buildings | 65,000 | - |
| Debtors | 6,000 | - |
| Wages | 1,200 | - |
| Discount | - | 1,400 |
| Bank overdraft | - | 10,000 |
| Commission | - | 1,800 |
| Creditors | - | 16,000 |
| Capital | - | 50,000 |
| Total | 1,94,400 | 1,94,400 |

Prepare Trading and P and L A/c for the year ending 31-03-2022 and B/S as on that date.

Adjustments :

- 1) Unexpired Insurance ₹ 1,000
- 2) Salary due but not paid ₹ 2,000
- 3) Wages outstanding ₹ 200
- 4) Interest on capital @5%
- 5) Furniture is depreciated @ 10%
- 6) Closing stock ₹ 10,000



Q. No. 7. Following are the Balance Sheet and Receipts and Payments A/c of Sharada Education Society, Mangalore. Marks : 16

Balance Sheet as on 31-03-2021

| Liabilities | ₹ | Assets | ₹ |
|--------------------|---------------|-----------------------|---------------|
| Capital fund | 36,400 | Cash in hand | 2,050 |
| Audit fees O/s | 2,500 | Maps and charts | 1,600 |
| | | 5% Govt. Bonds | 31,000 |
| | | Subscriptions | 1,000 |
| | | Outstanding furniture | 3,250 |
| | 38,900 | | 38,900 |

Receipts and Payments A/c for the year ending 31-03-2022.

| Dr. | ₹ | Cr. | ₹ |
|----------------------------|---------------|---------------------------|---------------|
| Receipts | | Payments | |
| To Bal. b/d | 2,050 | By Audit fees | 2,500 |
| To Subscriptions | 20,500 | By Rent | 1,800 |
| To Donations | 2,500 | By Maps and charts | 3,400 |
| To Interest on Govt. bonds | 850 | By Stationery and postage | 250 |
| | | By Salary | 8,000 |
| | | By Functions | 1,050 |
| | | By Bal. C/d | 8,900 |
| | 25,900 | | 25,900 |

Adjustments :

- 1) Audit fees ₹ 2,500 still due.
- 2) Charge ₹ 250 as depreciation on furniture.
- 3) Half of the donations is to be considered as revenue.
- 4) Outstanding subscriptions ₹ 2,000 and subscriptions received in advance ₹ 1,500.

Prepare :

- a) Income and Expenditure A/c
- b) Balance Sheet as on 31-03-2022



Q. No. 8. Write a short note on **any two** of the following : Marks : 2x8=16

- (a) Difference between Book-Keeping and Accounting.
- (b) Difference between Journal and Ledger.
- (c) Noting, endorsement and dishonour of bill.

Q. No. 9. Solve **any two** of the following problems : Marks : 2x10=20

- (a) On 1st March 2022, Ram drew a 3 month's bill on Rahim for ₹ 500 which was duly accepted. Ram discounted the bill with his banker at 8% p.a. The bill was dishonoured on the due date. Pass Journal entries in the books of Ram and Rahim.
- (b) From the following information, prepare the profit and loss account of Raj for the year ending 31-03-2022.

| Particulars | ₹ |
|---------------------|----------|
| Gross profit | 7,00,000 |
| Salaries and wages | 20,000 |
| Wages and salaries | 5,000 |
| Carriage inwards | 3,000 |
| Carriage outwards | 4,000 |
| Freight inwards | 2,000 |
| Freight outwards | 6,000 |
| Discount allowed | 5,000 |
| Discount received | 8,000 |
| Commission paid | 3,000 |
| Commission received | 4,000 |
| Interest allowed | 5,000 |
| Interest received | 6,000 |
| Rent paid | 5,000 |



| | |
|------------------------|-------|
| Rent received | 7,000 |
| General expenses | 5,000 |
| Brokerage paid | 4,000 |
| Miscellaneous expenses | 2,000 |
| Miscellaneous income | 3,000 |

(c) Prepare the personal A/c of Mr. Ganesh from the following transaction.

| | |
|------------|--|
| 01-03-2022 | Debit balance of Ganesh's A/c ₹ 8,100 |
| 03-03-2022 | Bought from Ganesh ₹ 1,400 |
| 05-03-2022 | Goods worth ₹ 2,300 sold to him |
| 09-03-2022 | Paid to him ₹ 1,300 |
| 12-03-2022 | Returned goods to him ₹ 130 |
| 15-03-2022 | Ganesh bought goods from us ₹ 1,500 |
| 18-03-2022 | He returned goods ₹ 600 |
| 22-03-2022 | Received a Bearer cheque from Ganesh for ₹ 1,000 |
| 25-03-2022 | Goods worth ₹ 250 sent back to him |
| 30-03-2022 | Ganesh sold goods to us worth ₹ 1,800 |



0232

Second Semester 5 Year B.B.A. LL.B. Examination,
October/November 2022 (June 2022)
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 the remaining questions carry 16 marks each.
 3. Answers should be written either in English completely.

Q. No. 1. Define Accounting. Explain the objectives and functions of accounting.

Marks : 16

Q. No. 2. Journalise the following transactions :

Marks : 16

November

- 2021
1. Shyam commenced business with following :
Cash ₹ 40,000, Furniture ₹ 20,000, Machinery ₹ 50,000
 2. Deposited into bank ₹ 20,000
 3. Purchased goods from Sanjay ₹ 20,000
 5. Sold goods for cash ₹ 40,000
 7. Settled Sanjay's Account and allowed discount ₹ 400
 10. Paid wages by cheque ₹ 2,000
 13. Drew for personal use ₹ 1,200
 15. Purchased from Manoj and Co. Machinery on credit ₹ 50,000
 17. Drew for office use ₹ 2,000
 20. Purchased goods from Vishal ₹ 40,000
 23. Sold goods to Ramesh ₹ 20,000
 25. Received a cheque of ₹ 10,000 from Ramesh
 28. Paid salary ₹ 4,000
 30. Paid rent by cheque ₹ 2,000

P.T.O.



Q. No. 3. Draw a three column cash book from the following transactions :

Marks : 16

November

2021

- 1 Started business with cash ₹ 40,000
- 2 Opened a Bank A/c with ₹ 20,000
- 4 Received for cash sales ₹ 10,000
- 6 Paid for stationery ₹ 2,000
- 13 Received a cheque from Sampat ₹ 7,700 and allowed him discount ₹ 300
- 15 Sent Sampat's cheque to bank deposits
- 18 Paid office rent by cheque ₹ 6,000
- 19 Received commission ₹ 4,000
- 22 Withdrew from bank for office use ₹ 3,000
- 24 Sunil a customer directly paid into our bank account ₹ 5,000
- 26 Paid Amit by cheque ₹ 1,800 and received discount ₹ 400
- 27 Cash purchases ₹ 10,000 of which paid by cheque ₹ 4,000
- 28 Withdrawn from bank for personal use ₹ 6,000
- 30 Received from John ₹ 3,500 and allowed him discount ₹ 30

Q. No. 4. Enter the following transactions in the proper subsidiary books.

Marks : 16

January

2021

- 1 Purchased goods from Rajesh less 5% ₹ 15,000
- 4 20 bags of wheat sold to Chetan and Co. ₹ 750 per bag
- 5 Bought goods from Pavitra and Co., Bangalore ₹ 4,050
- 7 Sold goods to Umesh and Co., Hasan ₹ 6,500
- 8 Sent a debit note to Pavitra and Co. of ₹ 250
- 10 Sent a credit note to Umesh and Co., ₹ 350
- 12 Sold goods to Mohan less 6% ₹ 2,000



- 14 Bought goods from Venugopal and Bros. ₹ 4,500
- 16 Allowance granted to Mohan for ₹ 200
- 18 Allowance claimed from Venugopal and Bros. ₹ 450
- 20 Bought goods from Manju ₹ 4,000
- 22 Returned goods to Manju ₹ 200
- 23 Sold goods to Suman less 5% discount ₹ 5,000
- 25 Sold goods to Anil ₹ 10,000
- 27 Suman returned goods ₹ 200
- 28 Sent credit note to Anil ₹ 100

Q. No. 5. Following is the Trial Balance of Prasad and Sons as on 31-03-2021. Prepare Trading and Profit and Loss A/c and Balance Sheet as on that date after making adjustments.

Marks : 16

Trial Balance as on 31-03-2021

| Particulars | Debit (₹) | Credit (₹) |
|---------------------------|--------------|---------------|
| Opening stock (1-4-2020) | 1,500 | - |
| Purchases | 25,000 | - |
| Sales | - | 78,000 |
| Sundry Debtors | 6,000 | - |
| Capital | - | 20,000 |
| Drawings | 5,000 | - |
| Returns | 800 | 1,000 |
| Plant and Machinery | 15,000 | - |
| Bills Receivable | 2,500 | - |
| Land and Buildings | 30,000 | - |
| Bills payable | - | 4,000 |
| Salaries and wages | 12,000 | - |
| Trade expenses | 7,000 | - |
| Rent, rates and insurance | 1,200 | - |



| | | |
|--------------------------------------|-----------------|-----------------|
| Stationery | 700 | - |
| Sundry creditors | - | 6,600 |
| Provision for bad and doubtful debts | - | 1,400 |
| Bad debts | 300 | - |
| Furniture | 3,500 | - |
| Cash Balance | 500 | - |
| | 1,11,000 | 1,11,000 |

Adjustments :

- (i) Closing stock as on 31-3-2021 ₹ 1,200.
- (ii) Accrued expenses : Wages ₹ 400, Rent ₹ 50.
- (iii) Provision for bad and doubtful debts should be maintained at 15% on debtors.
- (iv) Provision for depreciation at 10% on plant and machinery and 8% on Land and Buildings.

Q. No. 6. Following are the Balance Sheet and Receipts and Payments A/c of Veer Sports Club, Kolar.

Marks : 16

Balance Sheet as on 31-03-2020

| Liabilities | ₹ | Assets | ₹ |
|--------------------|---------------|--------------------------|---------------|
| Outstanding Salary | 2,000 | Cash | 8,000 |
| Capital fund | 47,000 | Outstanding Subscription | 1,000 |
| | | Furniture | 15,000 |
| | | Sports materials | 25,000 |
| | 49,000 | | 49,000 |

Receipts and Payments A/c for the year ending 31-3-2021

| Receipts | Dr. | Payments | Cr. |
|--------------------------|------------|------------------------|------------|
| | (₹) | | (₹) |
| To Balance b/d | 8,000 | By Salary | 15,000 |
| To Subscriptions | 46,000 | By Sports materials | 18,000 |
| To Entrance fees | 16,000 | By Investments | 16,000 |
| To Sale of old newspaper | 2,000 | By Fixed deposits | 8,000 |
| To Rent | 6,000 | By Tournament expenses | 4,000 |



| | | | |
|-------------|---------------|----------------------|---------------|
| To Legacies | 3,000 | By Furniture | 6,000 |
| | | By Upkeep of grounds | 2,000 |
| | | By General expenses | 4,000 |
| | | By Balance c/d | 8,000 |
| | 81,000 | | 81,000 |

Adjustments :

- (1) Subscriptions outstanding for the year 2020 – 2021 ₹ 2,000.
- (2) Subscriptions received in advance for the year 2021 – 22 ₹ 1,000.
- (3) Depreciate sports materials by ₹ 4,000 and furniture ₹ 2,000.
- (4) Capitalize 50% of the entrance fees.
- (5) Outstanding salary ₹ 2,000.

Prepare Income and Expenditure A/c and Balance Sheet as on 31-03-2021.

Q. No. 7. Differentiate between manual accounting and computerised accounting. Marks : 16

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

- (a) What are the Pro's and Con's of computerised accounting ?
- (b) What do you mean by Non-profit Organisations ? Explain with examples. Explain the features of Non-profit Organisations.
- (c) Write a short note on "Adjustments in Final Accounts".

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

- (a) From the following details, prepare Trading and Profit and Loss A/c for the year ended 31st March 2021.

| Particulars | ₹ |
|----------------------|--------|
| Stock on 1-4-2020 | 4,000 |
| Purchases | 15,000 |
| Sales | 30,000 |
| Returns to suppliers | 2,000 |



| | |
|------------------------|-------|
| Returns from customers | 1,000 |
| Wages and salaries | 5,000 |
| Carriage on purchases | 1,000 |
| Carriage on sales | 200 |
| Freight | 800 |
| Rent (Factory) | 1,000 |
| Rent (Office) | 2,000 |
| General expenses | 500 |
| Heating and lighting | 700 |
| Discount allowed | 300 |
| Discount received | 400 |
| Commission (Cr.) | 500 |
| Insurance | 300 |

Adjustments :

- (1) Insurance prepaid ₹ 100
- (2) Stock on 31-3-21 ₹ 6,000
- (3) Depreciation on Machinery ₹ 1,000
- (4) Bad debts to be written off 500
- (5) Office rent outstanding ₹ 400.

(b) From the following details, calculate the amount of stationery to be debited to Income and Expenditure A/c of the year 2021.

| | |
|---|---------|
| Stock of stationery as on 1-1-2021 | ₹ 500 |
| Stock of stationery as on 31-12-2021 | ₹ 300 |
| Paid for stationery during the year 2021 | ₹ 3,000 |
| Creditors for stationery as on 1-1-2021 | ₹ 100 |
| Creditors for stationery as on 31-12-2021 | ₹ 4,000 |
| Advance payment for stationery as on 31-12-2020 | ₹ 200 |
| Advance payment for stationery as on 31-12-2021 | ₹ 400 |



(c) From the following particulars prepare Sales Book of Akbar and Co. who deal in furniture.

2021

- June 5 Sold on credit to Anand and Co.
10 Tables @ ₹ 300
20 Chairs @ ₹ 150
- June 10 Sold to Banerji and Co. on credit
5 Almirahs at ₹ 1,500
5 Stools at ₹ 100
- June 20 Sold old typewriters for ₹ 6,000 to Mohan and Co. on credit
- June 25 Sold to Ramlal and Bros. on credit
5 Tables @ ₹ 500
1 Revolving Chair at ₹ 600
- June 26 Sold to Sandeep and Bros. on credit 35 Chairs @ ₹ 300 each
- June 28 Sold computers for cash ₹ 10,000



Second Semester 5 Year B.B.A. LL.B. Examination, December 2019
FINANCIAL ACCOUNTING
(New/Old)

Duration : 3 Hours

Max. Marks : 100

- Instructions :**
1. Answer Question No. 9 and **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.

O. No. 1. What is "Double-entry system" of book keeping ? What are its advantages and disadvantages ?

Marks : 16

Q. No. 2. Journalise the following transactions in the books of Mr. Vijay.

Marks : 16

2018 February

- 1 Commenced business with the following :
 - Cash Rs. 60,000
 - Goods Rs. 30,000
 - Furniture Rs. 40,000
 - Building Rs. 70,000
- 4 Bought goods from Dravid Rs. 50,000
Less trade discount 10%
- 5 Cash received from Laxman Rs. 19,000 and allowed him a discount of Rs. 1,000
- 6 Opened a bank account in SBM and deposited Rs. 10,000 therein
- 10 Purchased office equipment for cash Rs. 20,000

P.T.O.



- 12 Dravid directly deposited Rs. 30,000 into our bank account
- 18 Paid to Sachin Rs. 29,500 and received discount of Rs. 500
- 22 Goods withdrawn by the proprietor for personal use Rs. 4,000
- 24 Sold goods to Kohli for Rs. 30,000 at a trade discount of 8%
- 26 Paid flight charges of Rs. 10,000 to the sales manager
- 28 Paid fire insurance premium Rs. 5,000
- 29 Received commission of Rs. 8,000 from Yuvaraj and paid charity of Rs. 1,000.

Q. No. 3. Record the following in the proper subsidiary books of Dinarithyada Provisions Stores for the month of June 2018. Marks : 16

- 1 Purchased 10 bags of rice from Fine Rice Mills, Maddur at Rs. 3,600 per bag.
- 3 Sold 2 bags of Sugar to Ashok Hotel, Bengaluru at Rs. 3,500 per bag.
- 5 Sent a debit note to Fine Rice Mills, Maddur for the overprice of Rs. 300 per bag.
- 7 Sold 20 kgs of Coffee to Janapriya Hotel at Rs. 120 per kg
- 10 Purchased 25 cases of tea from Tata Tea Suppliers for Rs. 6,250
- 12 Sent a credit note to Janapriya Hotel for short supply of 2 kgs Coffee
- 15 Returned 4 cases of tea to Tata tea suppliers for defective
- 18 Bought 15 bags of wheat flour from Punjab flour mills at Rs. 2,000 per bag.
- 21 Supplied 2 bags of rice and 3 bags of wheat flour to reliable stores respectively at Rs. 3,400 per bag and Rs. 2,600 per bag.



- 23 Reliable stores returned wrong supply of 1 bag of rice.
- 26 Bought office furniture from carved Furniture Mart for Rs. 25,000 on credit.
- 27 Sold to Vishnu Darshani provisions of Rs. 10,000 on account, less 10% discount.

Q. No. 4. Enter the following transactions in a cash book with discount, cash and bank column and balance the cash book on 31st December 2017.

Marks : 16

- 1 Balance of cash in hand Rs. 50,000
- Bank overdraft Rs. 10,000
- 3 Introduced cash as further capital Rs. 25,000
- 5 Collected crossed cheque from Mr. X Rs. 8,000 and allowed discount of Rs. 200
- 6 Purchased goods by cash Rs. 2,000 and by cheque Rs. 3,000
- 7 Discounted a bill of exchange through bank Rs. 5,000
- 9 Paid into Bank Rs. 10,000
- 12 Gopal directly paid into our bank account Rs. 8,000
- 14 Paid cheque to Mr. 'R' Rs. 2,500 and discount received Rs. 100
- 18 Our cheque to Mr. 'R' returned dishonoured.
- 21 Cash sales proceeds banked on the same day Rs. 7,000
- 23 Cashed national savings certificates Rs. 10,000
- 24 Collected from Mr. 'Y' in cash and deposited into bank by next day Rs. 4,000
- 30 Transferred to proprietor's saving bank account Rs. 5,000



Q. No. 5. On 1st June 2012, Ravi drew a bill of exchange on Naveen for Rs. 10,000 due after 3 months. On 1st September 2012, Naveen expressed his inability to meet the bill and asked Ravi to accept Rs. 2,000 in cash and drew a new bill for the balance plus interest at 12% p.a. for three months. Ravi agreed to this and renewed the bill. On the due date, the bill was met. Give necessary Journal entries in the books of Ravi and Naveen. Marks : 16

Q. No. 6. From the following Trail Balance of Ravikumar as on 31-12-2017. Prepare Financial Statements. Marks : 16

| Particulars | Debit (Rs.) | Credit (Rs.) |
|-----------------------|-----------------|-----------------|
| Drawings and Capital | 15,000 | 1,20,000 |
| Bills Receivable | 22,000 | |
| Machinery | 20,000 | |
| Debtors and Creditors | 60,000 | 58,000 |
| Wages | 39,000 | |
| Purchases and Sales | 2,52,000 | 3,55,000 |
| Commission | | 5,500 |
| Rent and Taxes | 6,000 | |
| Stock | 90,000 | |
| Salaries | 10,500 | |
| Travelling Expenses | 2,000 | |
| Insurance | 600 | |
| Repairs | 3,400 | |
| Bad debts | 3,500 | |
| Furniture | 9,000 | |
| Returns | 5,000 | 2,000 |
| Cash in hand | 500 | |
| Cash at bank | 2,000 | |
| | 5,40,500 | 5,40,500 |



Adjustments :

1. Closing stock was Rs. 1,00,000
2. Create provision for bad debts on debtors at 5%.
3. Prepaid Insurance Rs. 100
4. Commission earned but not received Rs. 500
5. Wages and Salaries are unpaid to the extent of Rs. 1,000 and Rs. 1,500 respectively.
6. Depreciate Machinery at 5% and Furniture by 10% per annum.

Q. No. 7. Following is the receipts and payments account of Jnana Education Trust Commenced on 1-4-2013.

Marks : 16

Receipts and Payments A/c for the year ending 31-3-2014

| Receipts | Rs. | Payments | Rs. |
|-------------------------|-----------------|-----------------------------|-----------------|
| To Life membership fees | 4,000 | By Building | 1,00,000 |
| To Building donation | 1,00,000 | By Furniture | 20,000 |
| To Govt. grants | 30,000 | By Library books | 10,000 |
| To Admission fees | 10,000 | By Salary | 24,000 |
| To Subscriptions | 15,000 | By Printing and Stationery | 1,250 |
| To Fees from students | 3,060 | By Telephone charges | 500 |
| | | By Sports material (1-4-13) | 4,000 |
| | | By Office expenses | 400 |
| | | By Balance of cash | 1,910 |
| | 1,62,060 | | 1,62,060 |

**Adjustments :**

1. Salary outstanding Rs. 1,000
2. Depreciation on sports materials at 20%
3. Depreciate building by Rs. 5,000
4. Outstanding subscriptions Rs. 450 and subscriptions received in advance Rs. 600
5. Admission fees to be capitalised :

Prepare :

- i) Income and Expenditure Account
- ii) Balance Sheet as on 31-3-2014.

Q. No. 8. Write **any two** of the following : Marks : 2x8=16

- a) Define "Promissory Note". List its features.
- b) Functions of Accounting.
- c) Explain the rules of double entry system.

Q. No. 9. Solve **any two** of the following problems : Marks 2x10=20

- a) Prepare the personal account of Sachin in the books of the business, 2012

| | | |
|------------|--------------------------------|-----------|
| December 1 | Credit balance to Sachin's A/c | Rs. 3,000 |
| 3 | Bought goods from Sachin | Rs. 2,000 |
| 8 | Returned goods to Sachin | Rs. 200 |
| 12 | Sold goods to Sachin | Rs. 1,800 |
| 20 | Sachin returned goods to us | Rs. 50 |
| 31 | Paid Sachin in full settlement | Rs. 3,000 |

- b) How do you treat the following ?

- i) Capital Fund
- ii) Legacies
- iii) Entrance fees
- iv) Subscriptions



- v) Donations
 - vi) Life membership fees
 - vii) Govt. grants
 - viii) Sale of old newspaper
 - ix) Endowment fund
 - x) Purchase of sports material.
- c) Group the following accounts into personal, real and nominal account.

Capital a/c

Ramesh a/c

Building a/c

Friends Club a/c

Furniture a/c

Advertisement a/c

Salary a/c

Purchase a/c

Drawings a/c

Sales a/c

Machinery a/c

Investment a/c



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0232

Second Semester 5 Year B.B.A.LL.B. Examination, June/July 2019
FINANCIAL ACCOUNTING (Old/New)

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. Give the meaning of accounting concepts and accounting conventions. Explain six concepts and four conventions. Marks : 16

Q. No. 2. Journalise the following transactions : Marks : 16

| | | |
|------------------------|---|--------|
| March 1 st | Started business with | 80,000 |
| | Out of which paid into bank | 20,000 |
| March 5 th | Bought goods of Ram Chand | 12,000 |
| March 5 th | Bought goods from Ramesh & Co. | 10,000 |
| March 7 th | Sold goods to Rajesh | 8,000 |
| March 7 th | Sold goods to Mahesh Chand | 10,000 |
| March 10 th | Received cheque from Rajesh | 6,800 |
| | Discount allowed | 200 |
| March 12 th | Paid into Bank | 8,000 |
| March 14 th | Paid to Ramesh and Co. | 9,000 |
| | Discount received | 200 |
| March 17 th | Sold goods to Jagdish | 7,200 |
| March 17 th | Sold goods to Rajesh | 2,600 |
| March 17 th | Sold goods to Mahesh Chand | 6,500 |
| March 21 st | Payment received by cheque from Jagdish | 5,200 |

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| | | |
|------------------------|---|--------|
| March 25 th | Paid to Ram Chand by cheque | 6,800 |
| | Discount | 200 |
| March 26 th | Mahesh Chand returned goods not upto the sample | 2,000 |
| March 28 th | Bought goods for cash | 15,000 |
| March 31 st | Paid wages in cash | 1,000 |
| March 31 st | Paid office expenses in cash | 5,000 |
| March 31 st | Paid salaries for the month | 12,500 |

Q. No. 3. Enter the following transactions in a three-column cash book. Marks : 16

2013

- Jan. 1 Commenced business with cash Rs. 30,000
- Jan. 2 Paid into bank current a/c Rs. 20,000
- Jan. 3 Received cheque from Kulwant Rai on account Rs. 1,000
- Jan. 7 Paid Kulwant Rai's cheque into bank Rs. 1,000
- Jan. 10 Paid Sharan by cheque Rs. 1,980 and received discount Rs. 20
- Jan. 11 Received cheque from Wasim Rs. 970 and allowed him discount Rs. 30
- Jan. 15 Sold goods for cash Rs. 2,000
- Jan. 17 Cash deposited into bank Rs. 3,000
- Jan. 19 Purchased a motor car by cheque Rs. 6,500
- Jan. 20 Purchased goods by cheque Rs. 1,500
- Jan. 22 Paid J. Traders in cash Rs. 2,000 and received discount Rs. 100
- Jan. 29 Withdrew from Bank for office use Rs. 500
- Jan. 30 Purchased furniture by cheque Rs. 1,200
- Jan. 30 Cheque received from Sham endorsed to Ram Rs. 5,000



Q. No. 4. Journalise the following transactions :

Marks : 16

- a) Our acceptance to Anand for Rs. 2,000 renewed for 3 months at 20% p.a. interest.
- b) Abdul's acceptance to us for Rs. 3,000 renewed by receiving cash Rs. 1,100 (Rs. 100 being interest) and a new bill for the balance.
- c) Our promissory note to Avinash for Rs. 3,000 renewed for 2 months by paying cash Rs. 1,000 and accepting new bill for Rs. 2,100, Rs. 100 being interest.
- d) Ganpathi's acceptance for Rs. 1,600 which we had sent to the bank for collection, returned dishonored. Bank paid Rs. 20 as noting charges.

Q. No. 5. What do you mean by Bills of Exchange ? Explain.

Marks : 16

Q. No. 6. From the following balances of S & Co., prepare trading and profit and loss a/c for the year ended 31st Dec., 2008 and balance sheet on that date :

Marks : 16

| Particulars | Rs. | Particulars | Rs. |
|---------------------|--------|------------------|--------|
| Drawings | 1,700 | Rent | 450 |
| Plant and machinery | 12,000 | Misc. expenses | 150 |
| Horse and carts | 2,600 | Bad debts | 500 |
| Debtors | 3,600 | Carriage inwards | 160 |
| Purchases | 2,000 | Creditors | 2,000 |
| Wages | 800 | Sales | 4,200 |
| Cash at bank | 2,600 | Interest | 1,350 |
| Salaries | 800 | Commission | 1,600 |
| Repairs | 190 | Capital | 20,000 |
| Opening stock | 1,600 | | |

**Adjustments :**

- 1) Closing stock Rs. 1,600
- 2) Depreciate plant and machinery 10%, horse and carts 15%.
- 3) Allowed interest on capital at 5% p.a.
- 4) Rs. 150 is due for wages.
- 5) Paid rent Rs. 150 in advance.
- 6) Accrued interest Rs. 150.
- 7) Commission received in advance Rs. 200.
- 8) Interest on drawings Rs. 100.
- 9) Further Bad debts Rs. 200.

Q. No. 7. From the following particulars of Public Library, prepare the income and expenditure account for the year ending 31-3-2011 and the balance sheet as at 1-4-2010 and also as at 31-3 2011. Marks : 16

The following are ledger balances as at 31-3-2010

| | |
|------------------------------------|--------|
| Capital fund | ? |
| Buildings | 50,000 |
| Investments | 10,000 |
| Outstanding creditors for expenses | 1,000 |
| Library books | 18,000 |
| Furniture | 8,000 |
| Outstanding subscriptions | 1,500 |
| Lecture Hall rent receivable | 500 |
| Cash | 3,000 |

Receipts and Payments account for the year ending 31-3-2011

| | | | |
|----------------------------|---------------|--------------------|---------------|
| To balance c/d | 3,000 | By salary | 5,500 |
| To entrance fees | 2,000 | By municipal taxes | 800 |
| To subscriptions | 15,000 | By insurance | 500 |
| To sale of furniture | 200 | By O/s creditors | |
| | | for last year paid | 1,000 |
| To sale of old newspapers | 100 | By library books | 4,000 |
| To rent of lecture hall | 2,500 | By repairs | 300 |
| To proceeds from lecturers | 1,200 | By furniture | 6,000 |
| To interest on investments | 1,000 | By office expenses | 1,800 |
| | | By subscription to | |
| | | periodicals | 600 |
| | | by Bal c/d | 4,500 |
| | 25,000 | | 25,000 |



Adjustments :

- 1) Rs. 2,500 were outstanding by way of subscriptions and Rs. 1,000 towards rent of lecture hall.
- 2) Rs. 2,000 were received in advance towards subscriptions for next year.
- 3) Entrance fees are to be capitalised.
- 4) A sum of Rs. 100 was prepaid towards insurance.
- 5) Depreciate building at 5%, library books and furniture at 10%, such depreciation is to be calculated on the opening balance of the respective assets.

Q. No. 8. Answer **any two** of the following : Marks : (8×2=16)

- a) Difference between Trial Balance and Balance Sheet.
- b) Classification of accounts and debit and credit rules.
- c) Difference between Single entry system and Double entry system.

Q. No. 9. Solve **any two** of the following problems : Marks : (2×10=20)

- a) From the following receipt and payments for the year ending March 31, 2015 of Negi's Club, prepare income and expenditure account.

Receipts and payments a/c for the year ending March 31, 2015.

| Receipts | Amt. | Payments | Amt. |
|---------------------------|---------------|--------------------------------------|---------------|
| Bank balance c/d | 25,000 | Purchase of Furniture (1-7-14) | 5,000 |
| Subscriptions : | | Salaries | 2,000 |
| 2014 1,500 | | Telephone expenses | 300 |
| 2015 10,000 | | Electricity charges | 600 |
| 2016 500 | 12,000 | Postage and stationery | 150 |
| Donation | 2,000 | Purchase of books | 2,500 |
| Hall rent | 300 | Entertainment Expenses | 900 |
| Interest on Bank Deposits | 450 | Purchase of 5% Govt. papers (1-7-14) | 8,000 |
| Entrance fees | 1,000 | Misc. expenses | 600 |
| | | Balance c/d : | |
| | | Cash | 300 |
| | | Bank | 20,400 |
| | 40,750 | | 40,750 |



Adjustments :

- 1) Salaries outstanding – Rs. 1,500
- 2) Entertainment expenses outstanding – Rs. 500
- 3) Bank Interest receivable – Rs. 150
- 4) Subscriptions accrued – Rs. 400
- 5) 50% of entrance fees to be capitalised
- 6) Furniture is to be depreciated at 10% p.a.

b) Prepare a Trial Balance from the following :

| | |
|--------------------------|--------|
| Capital | 40,000 |
| Debtors | 37,900 |
| Bank deposits | 13,750 |
| Bad debts received | 1,250 |
| Discount allowed | 200 |
| Creditors | 6,250 |
| Drawings | 3,000 |
| Returns outwards | 1,750 |
| Bank overdraft | 7,850 |
| Returns inwards | 2,250 |
| Rent | 1,750 |
| Sales | 73,450 |
| Bills payable | 6,750 |
| Salaries | 4,250 |
| Trade expenses | 1,500 |
| Cash in hand | 1,050 |
| Opening stock (1-4-2010) | 12,250 |
| Purchases | 59,400 |



c) How do you treat the following in final accounts of non-trading concerns :

- 1) Legacies
- 2) Subscriptions
- 3) Government grants
- 4) Sale of old furniture
- 5) Prize fund donations
- 6) Endowment fund receipts
- 7) Interest on prize fund investments
- 8) Sale of old newspapers
- 9) Sale of old sports materials
- 10) Locker rent.

| Date | Particulars | Amount |
|----------|---------------------------------------|--------|
| March 14 | Bank balance b/d | 10,000 |
| March 15 | Bank of India (part of bank) | 10,000 |
| March 20 | Managerial expenses | 10,000 |
| March 25 | Exchange of goods from Ramnath & Co. | 10,000 |
| March 27 | Sold goods to Ramnath | 4,000 |
| March 28 | Bills (sent to Managerial Council) | 10,000 |
| March 30 | Received cheque from Ramnath | 8,000 |
| | Discount allowed | 200 |
| March 31 | Balance b/d | 8,000 |
| March 31 | Paid to Ramnath and Co. | 9,000 |
| | Discount received | 200 |
| March 31 | Sold goods to Jagdish | 7,000 |
| March 31 | Sold goods to Ramnath | 2,000 |
| March 31 | Sold goods to Ramnath (Chennai) | 8,000 |
| March 31 | Received money by cheque from Jagdish | 15,000 |

P.T.O.



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 28th dishonoured and returned from the bank Rs. 4,500
- 31 Rent paid by cheque Rs. 4,000.

- Q. No. 5. On 1st 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 4th 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 : $8 \times 2 = 16$

- (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 : $10 \times 2 = 20$

- (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.



0232

Second Semester 5 Year B.B.A.,LL.B. Examination, June/July 2018
FINANCIAL ACCOUNTING (Old and New Batch)

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. Define accounting. Explain the objectives and functions of accounting.

Marks : 16

Q. No. 2. Journalise the following transactions.

Marks : 16

2017

June 1 Raju commenced business with the following :

| | Rs. |
|---|------------|
| Cash | 15,000 |
| Goods | 3,000 |
| June 2 Karnataka State Government gave him loan | |
| Rs. 12,000 | |
| June 3 Bought goods from Anand Rs. 800 and paid him half of the amount in cash. | |
| June 5 Sold goods to Ashok Rs. 900 and he paid us Cash Rs. 200 | |
| June 5 Paid for cash Purchases Rs. 300 | |
| June 6 Paid for repairs to Machinery Rs. 40, for advertisement Rs. 60 and for carriage Rs. 20 | |
| June 7 Bought furniture and paid by cheque Rs. 90 | |
| June 8 Returned goods to Anand Rs. 130 | |
| June 9 Ashok returns us goods Rs. 140 | |
| June 10 Withdrawn cash from office for personal use Rs. 100 | |
| June 11 Withdrawn from Bank for domestic purpose Rs. 200 | |
| June 12 Withdrawn from Bank for office use Rs. 300 | |
| June 13 Paid by cheque Salary Rs. 700 and office rent Rs. 150 | |

P.T.O.



Q. No. 3. Prepare Rajaram's account in the ledger of Jayaram and Jayaram's account in the ledger of Rajaram from the following transactions :

Marks : 16

2011

- Mar. 1 Jayaram sold goods to Rajaram Rs. 6,000
- Mar. 6 Rajaram paid cash to Jayaram Rs. 4,000
- Mar. 14 Rajaram returned goods to Jayaram Rs. 2,000
- Mar. 20 Jayaram bought goods from Rajaram Rs. 2,500
- Mar. 24 Jayaram paid cash to Rajaram Rs. 1,000
- Mar. 28 Jayaram returned goods to Rajaram Rs. 100.

Q. No. 4. Enter the following transactions in the cash book with discount, cash and bank columns and balance the same on 30-9-1999.

Marks : 16

1999

- Sept. 1 Balance of cash on hand ₹ 400 and bank overdraft ₹ 5,000.
- Sept. 4 Introduced cash ₹ 10,000 as further capital of which ₹ 5,000 were deposited into bank
- Sept. 5 Sold goods for cash ₹ 3,000
- Sept. 6 Collected from X ₹ 8,000 by cheque and allowed him discount of ₹ 200 (cheque deposited into bank)
- Sept. 10 Purchased goods for ₹ 2,000 cash and by cheque ₹ 3,000.
- Sept. 11 Paid ₹ 2,500 by cheque to Y and discount allowed by him ₹ 300
- Sept. 12 Paid commission to an agent ₹ 500
- Sept. 15 Purchased office furniture for cash ₹ 2,000
- Sept. 16 Paid rent ₹ 100
- Sept. 16 Drew a cheque for personal use ₹ 1,000
- Sept. 18 Cash sales ₹ 5,000
- Sept. 20 Collected from Y ₹ 4,000 in cash and deposited the same into bank the next day.
- Sept. 23 Dividend received by cheque ₹ 100 and deposited into bank.
- Sept. 28 Paid office salaries by cheque ₹ 2,000
- Sept. 29 Deposited cash into bank ₹ 7,000



Q. No. 5. Ramesh sells goods to laxman ₹ 3,000 on credit. He draws two bills on laxman; the first one for ₹ 1,000 and the second for ₹ 2,000. Laxman accepts both the bills and returns them to Ramesh. The first bill is sent for collection to bank and the second one is discounted for ₹ 1,900. On the due date both the bills are met by Laxman.

Pass journal entries in the books of both the parties.

Marks : 16

Q. No. 6. From the following trial balance, prepare a trading and profit and loss account and Balance Sheet after taking into account the adjustments given here under.

Marks : 16

Trial balance as at 31-3-2011

| | (Dr.) | (Cr.) |
|---------------------------|--------|--------|
| Shivanand's capital | | 40,000 |
| Shivanand's Drawings | 9,000 | — |
| Investments | 10,000 | — |
| Interest on the above | — | 900 |
| Opening stock : 1-4-2010 | 14,000 | — |
| Sales | — | 96,500 |
| Purchases | 65,000 | — |
| Carriage | 1,400 | — |
| Returns Inwards | 1,500 | — |
| Sundry Debtors | 10,300 | — |
| Sundry Creditors | — | 8,000 |
| Bills Payable | — | 6,600 |
| Bills Receivable | 5,000 | — |
| Salaries | 7,000 | — |
| Wages | 4,000 | — |
| Machinery and Plant | 12,000 | — |
| Furniture and Fittings | 4,000 | — |
| Trade Expenses | 700 | — |
| Rent, Taxes and Insurance | 2,300 | — |



| | | |
|--------------|-----------------|-----------------|
| Discount | 200 | - |
| Cash in Hand | 600 | - |
| Cash at Bank | 4,600 | - |
| Bad Debts | 400 | - |
| | 1,52,000 | 1,52,000 |

Adjustments :

- 1) Write off further ₹ 300 as Bad Debts from Sundry Debtors and 5% is to be provided for Doubtful Debts.
- 2) ₹ 200 for rent and ₹ 500 for Salaries were outstanding.
- 3) Insurance unexpired amounted to ₹ 400
- 4) ₹ 100 have accrued due in respect of interest on Investments.
- 5) Write off depreciation at 5% on Machinery and Plant, 10% on Furniture and Fittings.
- 6) Stock as on 31-3-2011 was valued at ₹ 18,400

Q. No. 7. From the following particulars of Jai Hind Sports Club, prepare the income and expenditure account for the year ending 31-3-2011 and the Balance Sheet as on that date.

Marks : 16

Balance Sheet as at 31-3-2010

| | | | |
|------------------------|---------------|-------------------|---------------|
| Capital Fund | 49,000 | Building | 20,000 |
| Outstanding Salary | 500 | Furniture | 4,000 |
| Income and Expenditure | | Sports Equipments | 16,000 |
| Account | 3,000 | Investments | 10,000 |
| | | Outstanding | |
| | | Subscriptions | 1,000 |
| | | Cash in Hand | 1,500 |
| | 52,500 | | 52,500 |

Cash transactions for the year ending 31-3-2011 :

Subscription Received :

| | | |
|-------------|--------|--------|
| 2009 – 2010 | 1,000 | |
| 2010 – 2011 | 15,600 | |
| 2011 – 2012 | 2,400 | 19,000 |



| | | |
|-----------------------------|--------------|-------|
| Sundry Expenses Paid : | | |
| 2010 – 2011 | 6,000 | |
| 2011 – 2012 | <u>2,000</u> | 8,000 |
| Salary Paid | | 7,500 |
| Interest on Investments | | 1,000 |
| Rent Received | | 3,000 |
| Sports Equipments Purchased | | 4,000 |
| Sports Expenses | | 2,000 |
| Entrance Fees Received | | 2,000 |
| Tournament Fund Donations | | 2,500 |
| Tournament Expenses | | 1,500 |

Adjustments :

- 1) Subscriptions outstanding as at 31-3-2011 Rs. 400
- 2) Salary outstanding at the end of the year Rs. 1,200
- 3) Rent earned but not received ₹ 500
- 4) Depreciate sports equipments by ₹ 2,000, furniture by ₹ 1,000 and buildings at 5%.
- 5) Half of the entrance fees are to be capitalised.

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

- (a) Advantages of Subsidiary Books.
- (b) Distinction between Receipts and Payments Account and Income and Expenditure Account.
- (c) Advantages and disadvantages of Double Entry System.

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

(a) Enter the following transactions in the subsidiary books.

2011

- April 1 Purchased from R. Raju, Vijayapur 10 quintals of Jawar at Rs. 100 per quintal
- April 3 Bought from Sham & Co. Shivamogga 20 quintals of small rice at Rs. 300 per quintal



| | |
|----------|---|
| April 6 | Sold to S. Shankar, Gadag 4 quintals of small rice at Rs. 325 per quintal |
| April 8 | Purchased from Baburao 10 quintals of big rice at Rs. 200 per quintal |
| April 10 | Sold to B. Babu Bagalkot 2 quintals of small rice at Rs. 300 per quintal |
| April 21 | Bought of Govind, Gulbarga goods Rs. 10,000 at 20% Trade Discount. |
| April 25 | Sold to M. Madhu, Mysore 3 quintals of Jawar at Rs. 150 per quintal |
| April 30 | Sold to Murthy & Co. Bangalore goods Rs. 12,000 at 10% Trade Discount |

- (b) Prepare a Trading and Profit and Loss account for the year ending 31-12-2010 from the following ledger balances.

The stock as on 31-12 -2010 was valued at Rs. 16,000

| | | | |
|-------------------|----------|---------------------|-------|
| Stock on 1-1-2010 | 10,000 | Returns Outwards | 1,000 |
| Purchases | 81,000 | Returns Inwards | 2,000 |
| Sales | 1,22,000 | Carriage Inwards | 4,000 |
| Wages | 6,000 | Carriage Outwards | 2,500 |
| Salaries | 9,000 | Printing Charges | 200 |
| Rent | 3,600 | Discount(Dr.) | 300 |
| Interest (Cr.) | 500 | Travelling Expenses | 350 |
| Insurance | 400 | Sundry Expenses | 150 |

- (c) Prepare a Trial balance from the following Information :

| | |
|------------------|----------|
| Capital | 50,000 |
| Drawings | 10,000 |
| Opening Stock | 20,000 |
| Purchases | 90,000 |
| Sales | 1,40,000 |
| Purchase Returns | 1,000 |
| Sales Returns | 2,000 |
| Sundry Debtors | 30,000 |
| Sundry Creditors | 20,000 |
| Bills Receivable | 6,000 |



| | |
|------------------|--------|
| Bills Payable | 5,000 |
| Machinery | 25,000 |
| Furniture | 4,000 |
| Discount Earned | 1,000 |
| Discount Allowed | 1,500 |
| Salary | 12,000 |
| Rent | 3,000 |
| Wages | 8,000 |
| Cash in Hand | 500 |
| Cash at Bank | 5,000 |



0232

5 Year B.B.A. LL.B. II Semester (New/Old)
Examination, December 2017
FINANCIAL ACCOUNTING

Duration : 3 Hours

Max. Marks : 100

- Instructions :**
1. Answer Question No. 9 and **any five** of remaining questions.
 2. Q. No. 9 carries **20** marks and the remaining questions carries **16** marks **each**.
 3. Answer should be written in **English only**.
 4. Simple calculators may be **used**.

Q. No. 1. What are the Accounting concepts and conventions ? Explain any six concepts and four conventions. Marks : 16

Q. No. 2. Journalise the following transactions in the books of Chethan and post them in to Respective ledger. Marks : 16

2017

April 1 Commenced business with Cash Rs. 2,00,000

April 3 Purchased computer for cash Rs. 6,000

April 4 Goods purchased for cash Rs. 50,000

April 6 Stationery purchased Rs. 2,000

April 9 Purchased goods from Sathish Rs. 20,000

April 11 Sold goods for cash Rs. 50,000

April 12 Chethan withdrew cash for personal use Rs. 2,000

April 14 Paid cash to Sathish Rs. 10,000

April 20 Salary paid to clerk Rs. 5,000

April 30 Rent paid to owner Rs. 3,500

April 30 Commission Received Rs. 1,000

P.T.O.



- Q. No. 3. Prepare Suresh's Account in the Books of Ramesh and Ramesh's Account in the Books of Suresh from the following transactions.

Marks : 16

October
2017

- 1 Opening debt of Ramesh to Suresh Rs. 30,000
- 2 Ramesh purchased goods from Suresh Rs. 20,000
- 3 Suresh purchased goods from Ramesh Rs. 5,000
- 4 Ramesh paid cash to Suresh Rs. 40,000
- 5 Ramesh returned goods to Suresh worth Rs. 1,500
- 6 Suresh returned goods to Ramesh worth Rs. 3,000
- 8 Ramesh sent a cheque for the balance amount in full settlement of Suresh Account

- Q. No. 4. Enter the following transactions in a three-column cash book of Mr. Venkatesh.

Marks : 16

2017

- June 1 Balance of cash in hand Rs. 15,600 and at bank Rs. 18,200
- June 2 Received from Karthik Rs. 16,500 and allowed him a discount of Rs. 500
- June 3 Paid in to bank Rs. 12,000
- June 5 Received for cash sales Rs. 15,000 and by cheque Rs. 5,000
- June 8 Paid to Ganesh Rs. 6,300 in full settlement of his Bill Rs. 7,000
- June 9 goods purchased for Rs. 12,000 and paid by cheque
- June 13 Withdrew from bank for office use Rs. 600
- June 14 Telephone charges paid by cash Rs. 1,500
- June 15 Vinod directly paid into our bank Account Rs. 1,800
- June 20 Withdrew cash for personal use Rs. 1,500
- June 21 Goods purchased for cash Rs. 7,000
- June 22 Goods sold for cash Rs. 10,000 and paid into bank on same day.



- June 25 Paid Salary by cheque Rs. 3,000
- June 28 Received from Nagraj Rs. 9,800 in full settlement of his A/c Rs. 10,000
- June 30 Paid rent by cash Rs. 4,000
- June 30 Received commission Rs. 1,000

Q. No. 5. Enter the following transactions in the appropriate subsidiary books.

Marks : 16

2017

- March 1 Purchased from Kishore Co. Mysore 200 meters of Silk cloth at Rs. 20 per meter, 500 pieces of shirting at Rs. 60/ piece
- March 4 Sold to Lavanya of Shimoga 500 meters of Silk cloth at Rs. 40 per meter, 200 pieces of Shirting at Rs. 70 per piece.
- March 6 Purchased from Mohan of Mysore 150 piece of stitching materials at Rs. 200 per piece. 200 piece of Jeans pants at Rs. 100/piece
- March 10 Purchased from Mangala Traders Hasan 150 meters of Table cloth at Rs. 160/ Piece at discount of 10%
- March 12 Sold to Rajendra of Bangalore 300 pieces of sarees at Rs. 600 per saree at a discount of 5% 100 pieces of shirting at 100/piece
- March 20 Bought from Jayanthilal Tumkur on credit 100 pieces of woolen cloth at Rs. 160 per piece 200 blankets at 400 each
- March 21 Sold to Sunil of Hubli on credit 20 pieces of wollen cloth at Rs. 250/piece, 150 blankets at Rs. 300 per blanket



March 25 Sold to Sohan 150 pieces of clothing at Rs. 100 per piece. 50 pieces of shirts at 200 per shirt 100 towels at Rs. 75 each

March 30 Purchased from Meenakshi stores, Hasan for cash 50 pairs of garments at Rs. 200 each.

March 31 Purchased printer from eastern electronics for Rs. 25,000 for cash.

Q. No. 6. Prepare Final A/c from the following Trial Balance and Adjustments for the year ended 31-3-2017

Marks : 16

Adjustments :

- 1 Value of closing stock as on 31-3-2017 Rs. 1,80,000
- 2 Outstanding salary Rs. 16,800
- 3 Outstanding wages Rs. 9,000
- 4 Write-off Rs. 4,000 as Bad Debts
- 5 Provide Reserve for bad debts at 5%
- 6 Prepaid wages Rs. 1,400
- 7 Depreciate plant and machinery by 10%

Trial Balance

| Particulars | Dr. Rs. | Particulars | Cr. Rs. |
|----------------|------------|--------------|------------|
| Stock 1-4-2016 | 1,20,000 | Capital | 1,40,000 |
| Drawings | 44,000 | Bill payable | 1,00,000 |
| Debtors | 1,84,000 | Bank loan | 30,000 |
| Plant | 40,000 | Creditors | 90,000 |
| Interest | 860 | Sales | 5,00,000 |



| | | | |
|----------------|-----------------|------------------|-----------------|
| Rates, taxes | 13,840 | Purchase returns | 5,200 |
| Wages | 22,400 | | |
| Salaries | 74,000 | | |
| Return inwards | 10,800 | | |
| Purchases | 3,00,000 | | |
| Trade Exp. | 5,580 | | |
| Bad debts | 1,600 | | |
| Premises | 24,000 | | |
| Furniture | 20,000 | | |
| Cash | 4,120 | | |
| | 8,65,200 | | 8,65,200 |

Q. No. 7. Following is the Receipts and Payment Account of Sports Club for the year ended 31-3-2017

Marks : 16

Receipts and Payments A/c

| Receipts | Rs. | Payments | Rs. |
|--------------------------------|-----------------|-------------------|-----------------|
| To Bal. B/d | 16,000 | By Salaries | 2,000 |
| " Subscription | 80,000 | " Wages | 1,500 |
| " Entrance fee | 10,000 | " Investments | 8,500 |
| " Sale of Newspaper | 2,000 | " Furniture | 4,000 |
| " Sale of old sports materials | 4,000 | " Sports material | 40,000 |
| | | " Magazines | 4,000 |
| " Rent | 14,000 | " Sports exp. | 10,000 |
| | | " Bal. c/d | 56,000 |
| | 1,26,000 | | 1,26,000 |

**Other information :**

- 1) Subscription outstanding on 31-3-2016 is Rs. 10,000 and on 31-3-2017 Rs.14,000
- 2) 50% of entrance fee is to be capitalised
- 3) Salary outstanding on 31-3-2016 is Rs. 1,000 and on 31-3-2017 is Rs. 2,000
- 4) Rent received in Advance Rs. 2,000
- 5) Depreciate furniture at 10% P.A.
- 6) On 1-4-2016 the club had library Books worth Rs. 20,000 furniture Rs. 30,000 and sports materials Rs. 1,00,000

Prepare opening Balance Sheet as on 1-4-2017 Income and Expenditure Account for the year 31-3-2017 and a Balance Sheet as on that date.

Q. No. 8. Write short notes or solve **any two** of the following. Marks : 2×8=16

- A) Mr. Rakesh drew a bill on Umesh on 1-1-2017 for 3 months for Rs. 20,000. The same was accepted by Umesh. Rakesh discounted the bill for Rs. 19,500, before the due date Umesh Requested Rakesh to Renew the bill for 1 month for Rs. 21,000. Which was agreed by Rakesh ?

Pass journal Entries in the books of Rakesh and Umesh.

- B) What is Final Accounts ? Discuss the important elements of Final Accounts along with the proforma of elements i.e. Trading A/c, Profit & Loss A/c and Balance Sheet.

- C) Write short notes on Indian Accounting Standards.

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

- A) Group the following Accounts in to personal, real, and nominal account.

Capital A/c

Ramesh A/c



- Building A/c
- Friends club A/c
- Furniture A/c
- Advertisement A/c
- Salary A/c
- Purchase A/c
- Drawing A/c
- Sales A/c
- Machinery A/c
- Investment A/c.

B) Prepare Income and Expenditure A/c from the following for the year ended 31-3-2017.

| Receipts | Rs. | Payments | Rs. |
|--------------------------------|---------------|--------------------|---------------|
| To Bal. B/d | 8,000 | By salaries | 3,500 |
| " Subscription | 40,000 | " Investments | 2,500 |
| " Entrance fee | 5,000 | " Furniture | 2,000 |
| " Sale of news paper | 1,000 | " Sports materials | 20,000 |
| " Sale of old sports materials | 2,000 | " Magazines | 7,000 |
| " Rent | 7,000 | " Balance c/d | 28,000 |
| | 63,000 | | 63,000 |

C) What do you mean by accounting standards ? Explain any ten accounting standards issued by Institute of Chartered Accountants of India.



0232

Second Semester 5 Years B.B.A.L.L.B. Examination, June/July 2017
FINANCIAL ACCOUNTING
(Old and New Batch)

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 carries **16** marks **each**.
 3. Answer should be written in **English**.
 4. **Use simple calculator**.

Q. No. 1. Define Accounting. Explain the Accounting concepts and conventions in detail.

Marks : 16

Q. No. 2. Journalise the following transactions :
2015

Marks : 16

- May 1 Depreciation charged on furniture ₹ 2,000
" 2 Rent due, but not paid ₹ 1,500
" 3 Goods given as charity ₹ 750
" 4 Bad debts, written off ₹ 500
" 5 Bad debts recovered ₹ 250
" 6 Goods distributed as samples ₹ 800
" 7 Goods withdrawn by the proprietor for his personal use ₹ 900
" 20 Loss of goods by fire ₹ 400
" 25 Loss of cash by theft ₹ 1,000
" 26 Drew for personal use ₹ 600
" 27 Purchased a motor car in exchange for goods ₹ 2,000
cheque ₹ 3,000
" 29 Interest on capital ₹ 300
" 30 Interest on drawings ₹ 250

P.T.O.



Q. No. 3. Enter the following transactions in the subsidiary books of
Soundarya Saree Shop.
2014

Marks : 16

- Aug. 1 Purchased from Pathi Silk Kendra
100 printed sarees at ₹ 250 each
- " 5 Purchased from NSR and company
200 Kanchi sarees at ₹ 1,000 each
- " 7 Sold to Kumar on account
50 Printed sarees at ₹ 300 each
100 Kanchi sarees at ₹ 1,250 each
- " 8 Claimed for damages from Pathi
Silk Kendra ₹ 500
- " 9 Returned damaged goods to NSR and Company
5 Kanchi sarees
- " 12 Purchased from Sudarshan Silks
150 Mysore Silk at ₹ 250 each
100 Handloom sarees at ₹ 750 each
Less trade discount at 10%
- " 15 Sold to Kala on account
20 printed sarees at ₹ 300 each
25 Kanchi sarees at ₹ 1,300 each
20 Mysore silk sarees at ₹ 300 each
Less trade discount at 5%
- " 20 Sold to Kusum sarees
40 Handloom sarees at ₹ 1,000 each
- " 21 Kumar returned
10 printed sarees
20 Kanchi sarees
- " 25 Returned to Sudarshan's Silk
25 Mysore Silk
- " 27 Returned from Kusum sarees
10 Handloom sarees
- " 30 Purchased from Nandi Silk
400 Nandhi brand sarees at ₹ 500 each



Q. No. 4. Enter the following transactions in a three-column cash book. Marks : 16
2014

- April 1 Balance of cash in hand ₹ 18,000 and at bank ₹ 32,000
- " 2 Paid Vinod by cheque ₹ 9,500 in full settlement of his account for ₹ 9,600
- " 4 Bought goods for cash ₹ 800 and for cheque ₹ 3,000
- " 6 Drew cash for office use ₹ 3,000
- " 7 Paid wages in cash ₹ 2,500
- " 8 Paid Manjunath ₹ 1,200 by cheque
- " 10 Sold goods for cash ₹ 8,000
- " 12 Received cheque from Mr. Lokesh ₹ 3,200 in full settlement of his account for ₹ 3,250. Deposited Lokesh's cheque into the bank
- " 15 Lokesh's cheque was returned dishonoured
- " 20 Paid ₹ 9,200 into Bank
- " 24 Paid Henry ₹ 1,750 in full settlement of his account for ₹ 5,900
- " 30 Discounted a bill of exchange of ₹ 1,000 at 2% through Bank
- " 31 Transferred from fixed deposit account to current account ₹ 5,000

Q. No. 5. From the following Trial Balance, prepare the Trading and Profit and Loss Account and Balance Sheet as on 31st March 2015. Marks : 16

| | Debit (₹) | Credit (₹) |
|--------------------|-----------|------------|
| Nayak's Capital | | 40,000 |
| Nayak's Drawings | 8,000 | |
| Machinery | 20,000 | |
| Buildings | 32,000 | |
| Debtors | 10,000 | |
| Trade Expenses | 300 | |
| Stock 1-4-2014 | 8,000 | |
| Salary | 4,000 | |
| Rent for 11 months | 2,200 | |



| | | |
|------------------------------|-----------------|-----------------|
| Bad debts | 500 | |
| Discount | 460 | 560 |
| Returns | 760 | 1,600 |
| Sales | | 78,000 |
| Purchases | 40,000 | |
| Commission | | 260 |
| Furniture | 2,000 | |
| Provision for Doubtful Debts | | 800 |
| Wages | 7,000 | |
| Carriage inward | 500 | |
| Overdraft | | 3,000 |
| Creditors | | 12,000 |
| Cash | 500 | |
| | 1,36,220 | 1,36,220 |

Adjustments :

- 1) Allow interest on capital and drawings at 5% and 4% respectively.
- 2) Depreciation on machinery and furniture at 10% and 5% respectively.
- 3) Salary is prepaid to the extent of ₹ 100.
- 4) One month's rent is outstanding.
- 5) Interest on overdraft outstanding ₹ 450.
- 6) Provide 6% of sundry debtors for doubtful debts.
- 7) Value closing stock at ₹ 25,000.

Q. No. 6. On 1st July, 2014, Vinod bought goods from Manjunath for ₹ 15,000 and accepted two bills in settlement, one for ₹ 8,000 due after 3 months and the other for ₹ 7,000 due after 4 months. The first bill was met on the due date. The second bill was discounted on 4th August 2014 at 12% p.a. On the due date, the second bill was dishonoured and Manjunath paid the amount due to the bank including noting charges of ₹ 600.

Pass journal entries in the books of Manjunath and Vinod.

Marks : 16



Q. No. 7. Following is the receipts and payments account of Star Sports Club for the year ended 31-12-2014.

Marks : 16

| Receipts | | Payments | |
|-----------------|---------------|--------------------|---------------|
| | ₹ | | ₹ |
| To Cash in hand | | By Rent and Taxes | 8,610 |
| (1-1-2014) | 6,120 | " Salaries | 9,400 |
| " Cash at Bank | | " Light charges | 420 |
| (1-1-2014) | 8,000 | " General expenses | 1,250 |
| " Entrance fees | 5,520 | " Office expenses | 4,500 |
| " Subscriptions | 22,000 | " Sports materials | 3,120 |
| " Donations | 10,600 | " Investments | 14,000 |
| " Interest | 420 | " Cash at Bank | |
| " Receipt from | | (31-12-2014) | 6,180 |
| entertainment | 820 | " Cash in hand | |
| | | (31-12-2014) | 6,000 |
| | 53,480 | | 53,480 |

On 1-1-2014 the Club had sports materials worth ₹ 30,000 and furniture worth ₹ 5,800.

Adjustments :

- 1) Subscriptions O/S were ₹ 600 for the year 2013 and ₹ 700 for the year 2014.
- 2) The O/S rent was ₹ 1,800 for the year 2013 and ₹ 1,800 for the year 2014.
- 3) Write off depreciation ₹ 500 from furniture and ₹ 3,000 from sports materials.
- 4) Entrance fees and donations to be capitalised.
- 5) Following were the outstanding expenses :
Salaries ₹ 1,500, Light charges ₹ 200.

Prepare :

- 1) Balance Sheet as on 1-1-2014.
- 2) Income and Expenditure Account for the year ended 31st Dec. 2014.
- 3) Balance Sheet as on 31st Dec. 2014.



Q. No. 8. Write **any two** of the following : (2×8=16)

- Explain the rules of double entry system.
- What do you mean by bills of exchange and explain its types.
- Explain the difference between capital expenditure and revenue expenditure.

Q. No. 9. Solve **any two** of the following problems : (2×10=20)

- Asha sold goods worth ₹ 20,000 to Mamatha on credit on 1st July 2014. She drew a 3 months bill on Mamatha on the same day for ₹ 20,000. Mamatha accepted it and sent back to Asha. On receiving the bill Asha discounted it with her banker for ₹ 19,600. But on the due date Mamatha could not honour the bill. Noting charges incurred by bank were ₹ 1,000.

Pass Journal Entries in book of Asha and Mamatha.

- Journalise the following transactions :

2014

May 1 Rajesh commenced business with cash ₹ 5,000

" 3 Paid into Bank ₹ 2,000

" 4 Bought office furniture for cash ₹ 500

" 5 Sold goods to Murthy on credit ₹ 400

" 6 Bought goods from Narayan on credit ₹ 500

" 7 Paid rent to Landlord ₹ 300

" 8 Withdrew cash from office for personal use ₹ 200

" 9 Advanced Govinda ₹ 1,000 as loan

" 10 Received loan from Anand ₹ 2,000

" 11 Interest on capital ₹ 100

- From the following particulars, prepare a Trading and Profit and Loss Account for the year ended 31st March, 2014.

| Particulars | ₹ |
|-----------------|--------|
| Opening Stock | 5,000 |
| Purchase (Cash) | 10,000 |
| Credit Purchase | 20,000 |



| | |
|--------------------------|--------|
| Purchase Returns | 2,000 |
| Sales (Cash) | 30,000 |
| Sales (Credit) | 40,000 |
| Returns from customers | 1,000 |
| Sales tax | 4,000 |
| Salaries | 10,000 |
| Rent and Taxes | 5,000 |
| Insurance | 4,000 |
| Trade Expenses | 500 |
| Advertisement | 1,000 |
| Maintenance expenses | 2,000 |
| Commission (Dr.) | 50 |
| Interest on bank balance | 500 |
| Discount received | 200 |
| Wages | 10,000 |

Adjustments :

- 1) Closing Stock ₹ 8,000
- 2) Unpaid rent ₹ 1,000
- 3) Prepaid insurance ₹ 200
- 4) Write off bad debts ₹ 500
- 5) Depreciate furniture by ₹ 100
- 6) Allow interest on capital ₹ 500
- 7) Charge interest on drawings ₹ 300