# First Semester 5 Year B.B.A., LL.B./B.Com. LL.B. Examination, March/April 2023 (December 2022)
## FINANCIAL ACCOUNTING

Duration : 3 Hours | Max. Marks : 80

**Instructions :**
1. **Answer all five Units.**
2. **Figures to right indicate marks.**
3. **Answer should be written in English completely.**
4. **One essay type question and short note is compulsory from each Unit.**
5. **Use simple calculator.**

### UNIT – I

Q. No. 1. a) Meaning of Accounting. Explain the 6 Concepts and 4 Conventions of Accounting. Marks : 10

OR

Q. No. 1. a) What is double entry system of Book-keeping ? Explain its advantages and disadvantages. Marks : 10

Q. No. 1. b) Mention the three main classes of accounts and state their rules of debit and credit. Give two examples each for all the three accounts. Marks : 6

OR

Q. No. 1. b) Write a short note on GAAP. Marks : 6

### UNIT – II

Q. No. 2. a) Journalise the following transactions in the books of Anil Kumar. Marks : 10

**2012**

Jan. 1. Commenced business with cash ₹ 50,000 goods ₹ 40,000 and furniture ₹ 10,000.

Jan. 3. Paid into bank ₹ 10,000.

Jan. 5. Bought goods from Vinay for cash ₹ 6,000.

Jan. 8. Sold goods to Kiran ₹ 2,000.

Jan. 14. Cash sales ₹ 2,000.

Jan. 18. Received cash from Kiran on account ₹ 2,000.

Jan. 20. Purchased goods from Vinay ₹ 10,000.

Jan. 22. Returned goods to Vinay ₹ 500.

Jan. 25. Drew from bank for personal use ₹ 1,000.

Jan. 30. Paid office rent by cheque ₹ 3,000.

OR

Q. No. 2. a) Enter the following transactions in a three column cash book. Marks : 10

**2009**

Aug. 1. Cash in hand ₹ 15,000 and at Bank ₹ 20,000.

Aug. 4. Deposited cash into bank ₹ 5,000.

Aug. 9. Received a cheque from Anand ₹ 12,000 and allowed him discount ₹ 500.

Aug. 10. Paid into bank the above cheque.

Aug. 12. Cash sales ₹ 4,000.

Aug. 17. Received rent ₹ 3,000.

Aug. 19. Withdrawn from bank for personal use ₹ 1,700.

Aug. 21. Drew cash from bank for office use ₹ 2,000.

Aug. 30. Paid salary by cheque ₹ 4,500.

Aug. 31. Paid Praveen by cheque ₹ 2,500.

Q. No. 2. b) What is a ledger ? Explain need and importance of a ledger. Marks : 6

OR

Q. No. 2. b) Enter the following transactions made by Anand in his purchases book. Marks : 6

April. 1. Bought of Sharanappa and Bros. Gulbarga ₹ 330 less ₹ 30 trade discount.

April. 6. Bought of Jayalaxmi and Co. Belgaum ₹ 800 less 5% trade discount.

April. 15. Bought of Ramesh of Hubli ₹ 1,500.

April. 20. Bought of Sharanappa and Bros, Gulbarga ₹ 800.

April. 25. Bought of Babu and Sons, Bijapur ₹ 1,000 less 10% trade discount.

April. 30. Bought of Bangalore Traders, Bangalore ₹ 1,340.

UNIT – III

Q. No. 3. a) The following are the balances extracted from the books of Mr. Manju as on 31st Dec. 1989 : Marks : 10

| | ₹ | | ₹ |
|---|---|---|---|
| Manju's Capital | 30,000 | Wages | 15,000 |
| Interest (Dr.) | 750 | Stock (1–1–1989) | 4,500 |
| Office Rent | 250 | Salaries | 3,500 |
| Taxes and Insurance | 200 | Bills payable | 3,000 |
| Machinery and Plant | 10,000 | Loose tools | 500 |
| Sundry Debtors | 25,000 | Cash on hand | 400 |
| Bills receivable | 2,500 | Stock of books and stationery | 250 |
| Sundry creditors | 15,000 | | |
| Bank overdraft | 1,000 | Office expenses | 350 |
| Business premises | 28,000 | Sales | 48,200 |
| Loan (Cr.) | 15,000 | Purchases | 21,000 |

**Adjustments :**

Closing stock ₹ 6,000.

Wages and salaries were outstanding ₹ 100 and ₹ 75.

Insurance prepaid ₹ 25.

Prepare the trading and profit loss account for the year ended 31-12-89 and Balance Sheet as on that date.

OR

Q. No. 3. a) Give the meaning of Final accounts of sole trading concern and prepare Balance-Sheet format with 12 imaginary figures. Marks : 10

Q. No. 3. b) Difference between Trading and Profit and Loss A/c. Marks : 6

OR

Q. No. 3. b) Write the formats of Trading and Profit and Loss A/c. Marks : 6

UNIT – IV

Q. No. 4. a) Explain the Final Accounts of Non-Profit organizations; with the help of formats. Marks : 10

OR

Q. No. 4. a) The following is the Receipts and Payments account of the Hospital at the end of the year 31-12-2007. Marks : 10

Receipts and Payments A/c for the year ended 31-12-2007.

| **Receipts** | ₹ | **Payments** | ₹ |
|---|---|---|---|
| To subscriptions | 20,000 | By Instrument and Equipments (Purchased On 1-1-2007) | 24,000 |
| To Entrance fees | 4,000 | | |
| To Endowment Fund | 2,00,000 | | |
| To Donations | 40,000 | By furniture (Purchased on 1-1-2007) | 12,000 |
| To fees from Patients | 5,000 | | |
| To interest from Bank | 400 | By Diet expenses | 3,600 |

| | | | | |
|---|---|---|---|---|
| To Miscellaneous Receipts | 600 | By medicines Purchased | | 2,400 |
| | | By Salaries | | 10,000 |
| | | By Office expenses | | 7,000 |
| | | By Govt. Securities (Investment of Endowment fund) | | 2,00,000 |
| | | By Balance C/d | | |
| | | Cash | 1,000 | |
| | | Bank | 10,000 | 11,000 |
| | **2,70,000** | | | **2,70,000** |

**Adjustments :**

1) Donations are to be capitalised.
2) Outstanding subscriptions for 2007 ₹ 4,000.
3) Subscriptions received in advance for 2008 ₹ 2,000.
4) Office expenses outstanding ₹ 1,000.
5) Depreciate instruments and equipments at 20% and furniture at 10%.
6) Stock of medicines as on 31-12-2007 ₹ 400.

   You are required to prepare the Income and Expenditure account for the year ending 31-12-2007 and Balance Sheet as on that date.

Q. No. 4. b) Features of Non-trading concerns. Marks : 6

OR

Q. No. 4. b) Write a short note on : Marks : 6

Entrance fees.

Donations

Legacies.

UNIT – V

Q. No. 5. a) Write down the merits and demerits of computerised accounting. Marks : 10

OR

Q. No. 5. a) Give the meaning of computerised accounting system and explain its features. Marks : 10

Q. No. 5. b) Tally accounting software. Marks : 6

OR

Q. No. 5. b) Factors to be considered while introducing computerised accounting. Marks : 6