



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 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 |

P.T.O.



- 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		" Office expenses	450
Lectures	420	" 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.