



Shiksha Mandal's

**G. S. College of Commerce & Economics, Nagpur**

An Autonomous Institution

(Affiliated to Rashtrasant Tukadoji Maharaj Nagpur University)

First Semester Bachelor of Commerce (Computer Application) Examination  
(CBCS)**FINANCIAL ACCOUNTING-I**

(BCCAC 1.1)

Time: 3 Hours

Maximum Marks: 80

- Note: 1. All Questions are compulsory  
2. Draw well labeled diagram wherever necessary.

Q.1 A) Journalize the following transactions in the books of M/s Pravin and Sons:

10

1. He commenced business with Rs. 1,20,000 Cash and Goods worth Rs. 80,000
2. Goods purchased from Dalal worth Rs. 24,000
3. Goods sold to Rajesh for Rs. 68,000
4. Goods purchased for cash Rs. 54,000
5. Goods sold to Parvesh Rs. 18,000
6. Goods sold for cash to Mohan Rs. 16,000
7. Received Cash from Parvesh Rs. 17,800 in full settlement of his account
8. Paid for repair Rs. 2,000
9. Rajesh returned goods worth Rs. 4,000
10. Goods purchased from Dalal (Subject to 10% trade discount) Rs. 30,000
11. Purchased postal stamps Rs. 500
12. Paid salaries Rs. 8,000 and electric charges Rs. 4,000

OR

B) From the following transactions pass necessary Journal Entries in the Books of Amol and Company.

2018	Rs.
Jan 1 Amol commenced business	1,00,000
Feb 5 Purchased goods	56,000
Feb 22 Sold goods	70,000
May 22 Purchased goods from Rohan	40,000
May 26 Sold goods to Ashok	42,000
June 14 Cash given to Pramod	40,000
June 28 Cash received from Ashok	42,000
Aug 5 Purchased goods for cash from Ganesh	36,000
Aug 11 Withdrew for personal use	800
Oct 10 Purchased goods from Ganesh	30,000
Nov 14 Paid Cash to Ganesh	14,960
Discount allowed by him	80
Dec 31 Paid salaries	12,000

Q.2 A) From the following particulars prepare a Bank Reconciliation Statement showing the balance as per Cash Book on 31<sup>st</sup> March 2017.

10

	Rs.
a. Balance as per Pass Book	80,000
b. Cheques deposited but not credited by the bank	10,000
c. Cheques issued but not presented for payment	5,000
d. Cheques deposited into Bank without recording in Cash Book	6,000
e. Cheques issued to creditors but not recorded in Cash Book.	7,000
f. Dividend collected by bank, not recorded in Cash Book	1,000
g. Debtors directly deposited into bank not recorded in Cash Book	20,000
h. Debit side of the Cash Book was under cost by	10,000
i. Bank charges debited in Pass Book, not recorded in Cash Book	500
j. Bank met a bill payable for Rs. 10,000 on 31.03.2017 under advice to the firm on 02.04.2017	
k. 'A' bill for Rs. 10,000 discounted with the Bank is entered in the Cash Book without recording the discount charges.	

OR

B) The Trail Balance of S. Chand, Nagpur did not tally as on 31.03.2015. The following errors were detected as a result of checking the books of accounts. Pass the necessary Journal Entries to rectify the errors.

- a) Rs. 600 received from Mohan and Company on 31.03.2015 was entered in the Cash Book on 2<sup>nd</sup> April 2015.
- b) The Return inward books for March showed Rs. 2,000 total.
- c) The Purchase of a Printer for Rs. 8,000 was entered in the Purchase Journal.
- d) Wages of workers engaged in construction of building amounting to Rs. 5,000 will be debited to Wages Account.
- e) A purchase of Rs. 6,710 had been posted to the debit of suppliers Mr. Mane as Rs. 6,170.
- f) Goods amounting to Rs. 1,000 had been returned by Suresh and were taken into stock, but no entry was passed for the transaction.
- g) Rs. 20,000 paid for purchase of a water filter for Ghandhi (Proprietor) has been charged to Miscellaneous Expenses account.
- h) A sale of Rs. 3,000 to Mr. Anil was credited to his account.

Q.3 A) Ajay and Vijay entered into a Joint Venture to Purchase and Sales of goods and share Profit and Losses equally. Vijay is to sale the goods for which he is entitled to a commission at 5% on sales.

10

Vijay purchased goods worth Rs. 1,05,000 for Joint Venture and paid Rs 4,200 for cartage, Rs. 3,000 for insurance and Rs. 4,800 for selling expenses.

Ajay purchased goods worth Rs. 75,000 and sent it to Vijay. His expenses were freight Rs. 3,600, Insurance Rs. 2,400 and other expenses Rs. 4,500.

Vijay sold all the goods for Rs. 2,70,000 and remitted the balance due to Ajay by cheque. Pass Journal Entries in the books of Vijay to record the above transactions.

OR

B) Arun and Dipak entered into a Joint Venture to contract a commercial building having 10 shops in it. The contract price per shop was agreed at Rs. 7,00,000. They shared Profits and Losses in the ratio of 3:2. Arun contributed Rs. 30,80,000 and Dipak Contributed Rs. 25,20,000 and these amount were deposited into Joint Bank Account. They paid the following expenses out of Joint Bank Account.

Particular	Rs.
Material	37,80,000
Hire charges for mixer etc.	4,90,000
Wages	21,00,000
Miscellaneous Expenses	1,54,000

Arun paid Rs. 84,000 for transport and Dipak paid Rs.42,000 for Architect fees.

The construction was completed and they received Rs. 63,00,000 being the contract price of 9 shops. However, one shop purchaser failed to pay the agreed price and the agreement with him was cancelled. Dipak agreed to take over this shop at Rs. 6, 30,000

Prepare: 1. Joint Venture Account.

2. Joint Bank A/c

Q. 4 A) On 1<sup>st</sup> January 2013 a trader acquired a lease of premises for Rs. 60,000. A depreciation fund is established for replacement. The rate of interest on investment is 5% per annum. Depreciation fund table shows that Rs. 0.317208 @5% per annum will be in 3 years accumulated Re. 1. At the end of third years investment realised Rs. 41,016.58

10

Prepare : i) Lease A/c

ii) Depreciation Fund A/c

OR

B) A machinery is purchased for 3,00,000 on 1<sup>st</sup> Jan. 2011. At the end of 4 years it has to be replaced. For this purpose an Insurance Policy is taken out, the annual premium being Rs. 69,000. At the end of 4<sup>th</sup> year a new Machinery costing Rs. 3,40,000 is installed. The old Machinery is written off.

Prepare: i) Depreciation Fund A/c

ii) Depreciation Fund Insurance Policy A/c

- Q.5 Answer the following questions in 75-100 words: (Any two) 08  
A) Explain the meaning of accounting. Define Types of Accounts.  
B) Explain the objectives of Accounting.  
C) Write the concepts of Accounting.
- Q.6 Answer the following questions in 75-100 words: (Any two) 08  
A) Explain the meaning and need of Bank Reconciliation.  
B) State the reason for mismatch between Cash Book Balance and Pass Book Balance.  
C) Draw Proforma of Bank Reconciliation Statement.
- Q.7 Answer the following questions in 75-100 words: (Any two) 08  
A) Define Joint Venture. Explain its types.  
B) Differentiate between Joint Venture and Partnership.  
C) What is the Joint Venture? Explain its advantages.
- Q.8 Answer the following questions in 75-100 words: (Any two) 08  
A) What do you mean by depreciation? Explain its causes.  
B) Differentiate between straight line method and diminishing balance method.  
C) What is Depreciation Fund Method? Explain its merits.
- Q.9 Answer the following questions in 3-4 sentences: 08  
A) What is accounting?  
B) How to prepare Bank Reconciliation Statement?  
C) Explain the method of keeping Joint Venture Account.  
D) Explain the causes of Depreciation.

\*\*\*