



G. S. College of Commerce & Economics, Nagpur

An Autonomous Institution

(Affiliated to Rashtrasant Tukadoji Maharaj Nagpur University)

First Semester Bachelor of Business Administration Examination
(CBCS)

FINANCIAL ACCOUNTING - I

(BBAC 1.1)

Time: 3 Hours

Maximum Marks: 80

Q.1 A) Journalise the following transactions for the month of Oct. 2018.

October

2018	Rs.
01 Purchased goods from Prem Kumar	45000
04 Sold goods for cash	15000
05 Paid to Shah by cheque	55000
13 Sold goods on credit to Mr. Rane	17000
15 Paid for postage and telephone	3500
20 Purchased Government Securities	50000
22 Purchased goods worth Rs. 16000 less 20% trade discount and supplied them to Ramesh & Co. at list price less 10% trade discount.	
28 Bought a horse for Rs. 2600 and a carriage for Rs. 1200 for delivering goods to customers.	
31 Allowed interest on capital of Rs. 22000 @ 10% per annum for one year.	
31 Paid salaries and rent	21000

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OR

Q.1 B) From the following transactions pass necessary journal entries in the books of Subhash and Co.

2018	Rs.	
Jan 1 Subhash commenced business	100000	
Feb 5 Purchased goods	56000	
Feb 22 Sold goods	70000	
May 22 He sold goods to Ashok	42000	
June 16 Cash given to Rohan	40000	
June 30 Cash received from Ashok	18000	
Aug 4 Purchased goods for cash from Pramod	36000	
Aug 11 Withdrew for personal use	8000	
Oct 13 Purchased goods from Ganesh	30000	
Nov 14 Paid cash to Ganesh	29920	
	Discount allowed by him	80
Dec 31 Paid salaries	12000	

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Q.2 A) From the following particulars prepare a Bank Reconciliation statement showing the balance as per cash book on 31st March 2017.

(Contd.)

	Rs.
1. Balance as per pass book	240000
2. Cheques deposited but not credited by the bank	30000
3. Cheques issued but not presented for payment	15000
4. Cheques deposited into bank without recording in cash book	18000
5. Cheques issued to creditor but not recorded in cash book	21000
6. Dividend collected by bank, not recorded in cash book	3000
7. Debtors directly deposited into bank, not recorded in cash book	60000
8. Debit side of the cash book was under cast by	30000
9. Bank charge debited in pass book, not recorded in cash book	1500
10. Bank net a bill payable for Rs. 30000 on 31/03/2017 under advice to the firm on 02/04/2017.	

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OR

Q.2 B) From the following particulars prepare Bank Reconciliation statement for Milind as at 31st March 2016.

	Rs.
1. Bank balance as per cash book (cr)	61000
2. Cheques issued but not presented	30000
3. Cheques deposited but not credited by bank	250000
4. 'A' debtor directly deposited into Milind's bank account but not recorded in cash book	100000
5. Credit side of the cash book (Bank column) was under cash by	50000
6. The receipt column of the cash book has been over cash by	100000
7. Discount allowed Rs. 41000 has been entered through mistake with the cheque in the bank column of the cash book.	
8. Cheque amounting to Rs. 30000 though actually banked were not entered in cash book.	

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Q. 3 A) Following is trial balance of Jain and Co. on 31-12-2016.

Prepare i) Trading and Profit and Loss A/c

ii) Balance Sheet

The following adjustments are to be made.

1. Allow interest on capital 6%.
2. A sum of Rs. 400 due for wages has not been paid.
3. Depreciate building and furniture by 10%.
4. Reserve 10% of the book debts for bad and doubtful debts and 5% discount on debtors and creditor.
5. Stock of goods on 31-12-2016 is Rs. 70600.

(Contd.)

Trial Balance
As on 31-12-2016

Particular	Dr. Rs.	Cr. Rs.
Capital		150000
Drawing	7500	
Stock (01-01-2016)	69200	
Bill receivable	10000	
Purchase Return		3200
Sales Return	3000	
Bills Payable		11800
Sales		83000
Purchase	45000	
Wages	700	
Discount		300
Salaries	2000	
Union Bank Shares	30000	
Insurance	1200	
Building	30000	
Furniture	7000	
Sundry Debtors	60000	
Sundry Creditors		13000
Cash in hand	4700	
Overdraft at Bank		9000
Total	<u>270300</u>	<u>270300</u>

OR

Q. 3 B) From the following Trial Balance of Ramkumar prepare Trading and Profit & Loss Account and Balance Sheet as on 31st March 2014.

Particular	Rs. (Dr)	Particular	Rs. (Cr)
Drawings	5530	Capital	25500
Stock (1-1-2013)	29660	Returns outwards	1430
Returns Inward	950	Interest on loan to Ashok	50
Carriage Inwards	2100	Rent outstanding	230
Deposit in Bank	2340	Creditors	5100
Carriage outward	1230	Provision for RDD	2040
Loan to Ashok @5% (on 01/04/2013)	1700	Sales	47450
Rent	1400		
Purchase	22000		
Debtors	6800		
Good will	2940		
Advertisement	1680		
Bad debts	680		
Patents	850		

Cash in hand	100		
Discount allowed	560		
Wages	1280		
	Total	<u>81800</u>	Total <u>81800</u>

Adjustments:

1. Closing stock Rs. 31950.
2. Bad debt Rs. 1020 and bad debts reserve create 10%.
3. Provision for discount on debtors 5% and creditors 3%.
4. Stock value at Rs. 1500 destroyed by fire but the insurance company admitted a claim for Rs. 950.

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Q. 4 A) Sanjay Company Ltd is issued 100000 equity shares of Rs. 10 each at a discount of 10%.

Money was payable as follows:

Rs. 2.50 on application.

Rs. 3.00 on allotment (after allowing discount).

Rs. 3.50 on first and final call.

Applications were received for 80000 shares and all were accepted. The first and final call had not yet been made. All applicants paid allotment money.

Pass journal entries and balance sheet.

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OR

Q. 4 B) Madhura Company Ltd was registered with an authorized capital of Rs 500000 decided in 50000 shares of Rs. 10 each. Company issued 40000 shares at a premium of Rs. 2 per share. Amounts receivable are as under.

On application Rs. 2.

On allotment Rs. 5 (including premium).

On first call Rs. 3.

On final call Rs. 2.

All shares were subscribed and all money was duly received except a shareholder holding 500 shares failed to pay the first and final call and another shareholder holding 1000 shares failed to pay final call on due date. Share expenses amounted to Rs. 7500.

Pass necessary Journal entries.

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Q. 5) Answer the following questions in above 75-100 words. (Any two)

1. Explain objectives of accounting.
2. Explain convention of accounting.
3. State different types of accounts with examples.

08

Q. 6) Answer the following questions in above 75-100 words. (Any two)

1. Draw proforma of Bank Reconciliation statement.
2. State the reasons of mismatch between cash book balance and pass book balance.
3. Explain the need for preparing Bank Reconciliation statement.

08

Q. 7) Answer the following questions in about 75-100 words. (Any two)

1. What do you understand by the term 'Final Account' of Sole Trader?
2. What is Profit and Loss account? Draw its proforma.
3. Explain the classification of Assets and Liabilities.

08

Q. 8) Answer the following questions in about 75-100 words. (Any two)

1. What is share capital? State its different classifications.
2. Write asset side of Balance Sheet as per Schedule - III Part - I of Companies Act 2013.
3. What do you understand by the term 'Financial Statement' as per Companies Act 2013?

08

Q. 9) Answer the following questions in about 3 to 4 sentences.

1. What is accounting concepts?
2. What is Bank Reconciliation statement?
3. What is Trading Account? Draw its proforma.
4. Write journal entry of forfeiture of share if shares premium amount is already received.

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