



6004/7004

First Semester 5 Year B.B.A. LL.B. /B.Com. LL.B.
Examination, June/July 2025 (Even Sem.)
FINANCIAL ACCOUNTING

Duration : 3 Hours

Max. Marks : 80

- Instructions :**
1. Answer all five Units.
 2. One essay type questions and short note/problems is compulsory from each Unit.
 3. Figures to the right indicate marks.
 4. Answer should be written either in English or Kannada completely.

UNIT – I

Q. No. 1. (a) Define accounting. Explain concepts of accounting.

Marks : 10

OR

Q. No. 1. (a) What is book keeping ? How does it differs from accounting ?

Marks : 10

Q. No. 1. (b) Write a short note on accounting standard.

Marks : 6

OR

Q. No. 1. (b) Write a short note on limitations of accounting.

Marks : 6

UNIT – II

Q. No. 2. (a) Journalise the following transactions for the month of Dec. 2022.

Marks : 10

Dec. 1 Ajit started business with cash Rs. 40,000

3 He paid into the Bank Rs. 20,000

5 He purchased goods for cash Rs. 15,000

8 He sold goods for cash Rs. 6,000

10 He purchased furniture and paid by cheque Rs. 5,000

12 He sold goods to Arvind Rs. 4,000

15 He purchased goods from Hari Rs. 10,000

16 He returned goods to Hari Rs. 5,000

18 He received from Arvind Rs. 3,960 in full settlement

20 Cash paid to Hari in full settlement Rs. 4,900

28 Paid rent Rs. 1,500 and salaries Rs. 2,000.

OR

Q. No. 2. (a) Record the following transactions in the three columnar cash book.

Marks : 10

2022 Jan. 1 Balances : Cash Rs. 5,000; Bank Rs. 12,000

5 Deposited Rs. 8,000 in the bank

8 Received from Raaga Rs. 890; allowed discount Rs. 5

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- 12 Paid to Ganesh Rs. 1,200 who allowed discount of Rs. 100
 15 Bought goods for cash Rs. 700
 17 Sold goods for cash Rs. 1,000
 18 Purchased furniture by cheque Rs. 1,500
 22 Paid commission Rs. 150 by cheque
 27 Withdrew for personal use Rs. 300
 31 Paid manager's salary Rs. 350 and rent Rs. 200.

Q. No. 2. (b) Write a short note on preparing a Trial Balance.

Marks : 6

OR

Q. No. 2. (b) Record the following transactions in appropriate subsidiary books.

Marks : 6

- 2022 Mar.1 Purchased from Hari and Co. on credit
 30 pens @ Rs. 10
 20 Pencil box @ Rs. 20
 Mar. 4 Sold to Kumar and Co.
 10 pens @ Rs. 20
 16 Pencil box @ Rs. 30
 Mar. 6 Purchased from Arun and Co. on credit
 30 Eraser @ Rs. 20 less 10% trade discount
 Mar. 10 Sold goods to Gopal and Co.
 10 ballpoint pens @ Rs. 50 less 10% trade discount
 Mar. 15 Stationery worth Rs. 600 returned to ABC and Co.

UNIT – III

Q. No. 3. (a) The following balances were extracted from the books of A and Co. on 31st March 2022.

Marks : 10

Particulars	Dr. (Rs.)	Cr. (Rs.)
Capital		80,000
Drawings	10,000	
General expenses	5,240	
Building	52,000	
Machinery	38,000	
Stock	22,400	
Coal and power	5,400	
Taxes and insurance	2,600	
Wages	14,400	
Sundry debtors	12,400	
Sundry creditors		15,000
Discount	1,000	1,200
10% loan		15,000
Sales		1,60,800
Purchases	94,000	
Furniture	23,000	
Bills payable		10,500
Commission		2,400
Salaries	13,600	
Cash in hand	460	
Bank overdraft		9,600
	2,94,500	2,94,500



Prepare the final accounts for the year ended 31st Mar. 2022 after giving effect to the following adjustments.

- (1) Stock on 31st Mar. was valued at Rs. 54,000
- (2) Outstanding salaries Rs. 1,400
- (3) Unexpired insurance Rs. 100
- (4) Write off Rs. 400 as Bad debts and maintain the provision for the bad debts at 5% on debtors
- (5) Depreciate building by 5%, machinery by 5% and furniture by 10%.

OR

Q. No. 3. (a) Prepare the Trading and Profit and Loss account and Balance Sheet as on 31st Dec. 2022 after making the following adjustments :

Marks : 10

- (1) Stock on 31st Dec. 2022 was valued at Rs. 22,400.
- (2) Depreciate motor truck by 20% and furniture by 5%.
- (3) Maintain provision for doubtful debts at 5% on debtors.
- (4) Outstanding salaries Rs. 1,000.

Trial Balance

Particulars	Dr. (Rs.)	Cr. (Rs.)
Capital		1,00,000
Creditors		29,500
Bills payable		7,300
Sales		1,82,600
Salaries	19,600	
Cash at bank	16,500	
Cash in hand	1,700	
Purchases	1,22,200	
Interest		1,700
Motor truck	62,000	
Furniture	24,000	
Debtors	33,000	
Opening stock	14,500	
Bills receivable	5,600	
Carriage inwards	1,500	
Carriage outwards	900	
General expenses	5,600	
Insurance	800	
Bad debts	900	
Travelling expenses	600	
Discount	1,200	
Sales returns	500	
Investments	10,000	
	3,21,100	3,21,100

Q. No. 3. (b) Difference between Profit and Loss a/c and Balance Sheet.

Marks : 6

OR

Q. No. 3. (b) Write a short note on Trading account.

Marks : 6



UNIT – IV

- Q. No. 4. (a) Distinguish between Receipts and Payments A/c and Income and Expenditure A/c.

Marks : 10

OR

- Q. No. 4. (a) From the following receipts and payments and information given below, prepare income and expenditure account and Balance Sheet of literacy organisation as on 31st Dec. 2022.

Marks : 10

Receipts and payments a/c for the year ending 31st Dec. 2022

Receipts	Rs.	Payments	Rs.
Balance b/d :		General expenses	3,200
Cash in hand	4,000	News paper	1,850
Cash at bank	15,550	Electricity	3,000
Subscription 2021	1,200	Fixed deposit with	
2022	26,500	bank @ 10% p.a.	18,000
2023	500	(On 31-06-2022)	
Sale of old newspapers	1,250	Books	7,000
Govt. grant	12,000	Salary	3,600
Sale of old furniture	3,700	Rent	6,500
(Book value Rs. 5,000)		Postage charges	300
Interest received on FD	450	Furniture (Purchased)	10,500
		Balance c/d :	
		Cash on hand	3,000
		Cash at Bank	8,200
	65,150		65,150

Information :

- (1) Subscription outstanding as on 31st Dec. 2021 Rs. 2,000 and on 31st Dec. 2022 Rs. 1,500.
 (2) On 31st Dec. 2022 salary outstanding Rs. 600 and one month rent paid in advance.
 (3) On 1st Jan. 2021 organisation owned furniture Rs. 12,000, books Rs. 5,000.

- Q. No. 4. (b) Write a short note on capital fund. How it is calculated ?

Marks : 6

OR

- Q. No. 4. (b) Show the treatment of the following items by non-profit organisation.

Marks : 6

- (1) Annual subscription
- (2) Sale of sport materials
- (3) Specific donation
- (4) Sale of fixed assets

UNIT – V

- Q. No. 5. (a) "Computerised accounting systems are best form of accounting system". Do you agree ? Comment.

Marks : 10

OR

- Q. No. 5. (a) Define a computerised accounting system. Distinguish between a manual and computerised accounting system.

Marks : 10

- Q. No. 5. (b) Write a short note on limitations of computerised accounting systems.

Marks : 6

OR

- Q. No. 5. (b) Write short note on customised accounting software.

Marks : 6