



I Semester 5 Year B.B.A., LL.B./B.Com. LL.B. (Even Sem.)
Examination, August /September 2024
FINANCIAL ACCOUNTING

Duration : 3 Hours

Max. Marks : 80

Instructions : 1. Answer all five Units.

2. Question (a) carries 10 marks and (b) carries 6 marks each.

3. Answers should be written in English completely.

4. Figures to right indicate marks.

5. Use simple calculator.

UNIT – I

Q. No. 1. a) Define Accounting. Explain the functions of Accounting. Marks: 10
OR

Q. No. 1. a) What is double entry system of book-keeping ? Explain the merits and demerits of double entry system of book-keeping. Marks: 10

Q. No. 1. b) Write a note on accounting cycle. Marks : 6
OR

Q. No. 1. b) Explain any 2 accounting concept. Marks : 6

UNIT – II

Q. No. 2. a) Journalise the following transactions 2023. Marks : 10

Jan. 1 Commenced business with cash ₹ 10,000

Jan. 3 Deposited into bank ₹ 5,000

Jan. 5 Purchased goods for cash ₹ 3,000

Jan. 7 Withdrew from Bank ₹ 4,500

P.T.O.



- Jan. 8 Purchased goods from A on credit ₹ 2,500
Jan. 10 Paid salaries ₹ 1,000
Jan. 11 Cash withdrawn from the business for personal use ₹ 300
Jan. 13 Sold goods to Mr. B on credit ₹ 4,500
Jan. 14 Received commission ₹ 200
Jan. 28 Paid rent ₹ 1,000.

OR

- Q. No. 2. a) Show how the following transactions would be recorded in a three column Cash Book.

Marks : 10

2010

- Mar. 1 Cash in hand ₹ 200 and at Bank ₹ 8,000
Mar. 2 Received for cash sales ₹ 2,000
Mar. 4 Paid for cash purchases ₹ 1,600
Mar. 6 Paid Das and Co. by cheque ₹ 800 in full settlement of ₹ 850
Mar. 8 Received cheque from Keshav ₹ 670 in full settlement of ₹ 700
Mar. 9 Paid into Bank the above cheque
Mar. 12 Purchased office furniture for cash ₹ 500
Mar. 14 Drew a cheque for office use ₹ 900
Mar. 15 Paid cash for advertisement ₹ 200
Mar. 31 Drew a cheque for personal use ₹ 600

- Q. No. 2. b) What is ledger ? Explain features of Ledger.

Marks : 6

OR

- Q. No. 2. b) What is Trial Balance ? Show the format of Trial Balance with 12 imaginary figures.

Marks : 6



UNIT – III

- Q. No. 3. a) From the following Trial Balance of a trader, prepare trading and Profit and loss account for the year ended 31-12-2007 and balance sheet as on that date.

Marks : 10

	₹	₹
Capital	–	20,000
Drawings	1,700	–
Machinery	12,000	–
Scooter	2,600	–
Debtors and creditors	3,600	2,600
Purchases and sales	2,000	4,200
Wages	800	–
Cash	2,600	–
Salaries	800	–
Repairs	190	–
Stock as on 1-1-2007	1,600	–
Rent	450	–
Manufacturing expenses	150	–
Bills payable	–	2,350
Bad debts	500	–
Carriage	160	–
	29,150	29,150

Adjustments :

- Closing stock as on 31-12-2007 ₹ 1,600.
- Depreciate machinery by 10% and scooter by 15%.
- ₹ 150 are due for wages.
- Paid rent ₹ 50 in advance.

OR



Q. No. 3. a) From the following Trial Balance and the adjustments given below. Prepare the final accounts of Mr. Sunil.

Marks : 10

Trial Balance as at 31-12-2010

S.No.	Name of the accounts	Dr. ₹	Cr. ₹
1	Capital	—	56,000
2	Drawings	6,000	—
3	Purchases	30,000	—
4	Sales	—	65,000
5	Stock on 1-1-2010	24,000	—
6	Machinery	16,000	—
7	Buildings	40,000	—
8	Wages	4,000	—
9	Cash	2,000	—
10	Cash at Bank	4,600	—
11	B/R	7,000	—
12	Debtors	17,000	—
13	B/P	—	10,000
14	Creditors	—	28,000
15	Insurance	1,450	—
16	General expenses	3,200	—
17	Salary	3,400	—
18	Commission	1,350	—
19	Interest	—	1,000
	Total	1,60,000	1,60,000

Adjustments :

- 1) Closing stock ₹ 20,000.
- 2) Depreciate Building by 5% p.a.



Q. No. 3. b) Discuss the need for preparing the financial statements of a business entity.

Marks : 6

OR

Q. No. 3. b) From the following particulars, prepare Balance sheet as on 31-12-2010.

Marks : 6

	₹		₹
Capital	55,000	Drawings	15,000
B/R	8,000	B/P	10,000
Sundry creditors	20,000	Sundry Debtors	14,000
Plant and Machinery	12,000	Furniture	6,000
Investments	4,000	Land	50,000
Cash in hand	1,000	Cash at Bank	3,000
Net profit	30,000	Closing stock	2,000

UNIT – IV

Q. No. 4. a) Receipts and Payments a/c for the year ended 31-12-2022 was as follows :

Marks : 10

Receipts	₹	Payments	₹
To Endowment fund receipts	20,000	By Tournament expenses	7,600
To Donations	40,000	By Furniture	12,800
To Tournament fund	10,000	By Sports equipment	25,400
To Life membership fees	6,000	By Function expenses :	
To Entrance fees	600	a) Honorarium	14,000
To Fees for function	24,000	b) Others	4,000



To Subscriptions	6,000	By Printing	1,000
		By Rent	2,400
		By Salaries	7,200
		By Postage	300
		By FD in Bank	30,000
		By Cash Balance	1,900
	1,06,600		1,06,600

Adjustments :

- 1) Expenses outstanding : Salaries ₹ 2,400, Printing ₹ 1,000.
- 2) Subscriptions due for 2022 ₹ 4,000.
- 3) Sports equipment on 31-12-2022 were valued at ₹ 20,400 and Postage stamps on hand 40.
- 4) Entrance fees and life membership fees are to be capitalised.

Prepare Income and Expenditure a/c and Balance sheet as on 31-12-2022.

OR

Q. No. 4. a) Explain difference between Receipts and Payments A/c and Income and expenditure A/c.

Marks : 10

Q. No. 4. b) Short note :

Marks : 6

- a) Life membership fees.
- b) Legacies.
- c) Honorarium.

OR

Q. No. 4. b) Classify the following into Capital and Revenue expenditure.

Marks : 6

- a) Wages paid to workers for installation of machinery.
- b) X-ray plant purchased by a Hospital.
- c) Repair charges.
- d) Subscription to Newspaper.
- e) Amount of loan taken from bank.
- f) Installation expenses of machinery.



UNIT – V

Q. No. 5. a) Explain 5 advantages and disadvantages of computerised accounting system.

Marks : 10

OR

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

Marks : 10

Q. No. 5. b) Explain the features of computerised accounting system.

Marks : 6

OR

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

Marks : 6
