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First Semester 5 Year B.B.A., LL.B./B.Com. LL.B. Examination, March/April 2023 (December 2022)
FINANCIAL ACCOUNTING

Duration : 3 Hours Max. Marks : 80

Instructions : 1. Answer all five Units.
2. Figures to right indicate marks.
3. Answer should be written in English completely.
4. One essay type question and short note is compulsory from each Unit.
5. Use simple calculator.

UNIT – I

Q. No. 1. a) Meaning of Accounting. Explain the 6 Concepts and 4 Conventions of Accounting. Marks : 10

OR

Q. No. 1. a) What is double entry system of Book-keeping ? Explain its advantages and disadvantages. Marks : 10

Q. No. 1. b) Mention the three main classes of accounts and state their rules of debit and credit. Give two examples each for all the three accounts. Marks : 6

OR

Q. No. 1. b) Write a short note on GAAP. Marks : 6

UNIT – II

Q. No. 2. a) Journalise the following transactions in the books of Anil Kumar. Marks : 10

2012

Jan. 1. Commenced business with cash ₹ 50,000 goods ₹ 40,000 and furniture ₹ 10,000.

Jan. 3. Paid into bank ₹ 10,000.

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Jan. 5. Bought goods from Vinay for cash ₹ 6,000.

Jan. 8. Sold goods to Kiran ₹ 2,000.

Jan. 14. Cash sales ₹ 2,000.

Jan. 18. Received cash from Kiran on account ₹ 2,000.

Jan. 20. Purchased goods from Vinay ₹ 10,000.

Jan. 22. Returned goods to Vinay ₹ 500.

Jan. 25. Drew from bank for personal use ₹ 1,000.

Jan. 30. Paid office rent by cheque ₹ 3,000.

OR

Q. No. 2. a) Enter the following transactions in a three column cash book. Marks : 10

2009

Aug. 1. Cash in hand ₹ 15,000 and at Bank ₹ 20,000.

Aug. 4. Deposited cash into bank ₹ 5,000.

Aug. 9. Received a cheque from Anand ₹ 12,000 and allowed him discount ₹ 500.

Aug. 10. Paid into bank the above cheque.

Aug. 12. Cash sales ₹ 4,000.

Aug. 17. Received rent ₹ 3,000.

Aug. 19. Withdrawn from bank for personal use ₹ 1,700.

Aug. 21. Drew cash from bank for office use ₹ 2,000.

Aug. 30. Paid salary by cheque ₹ 4,500.

Aug. 31. Paid Praveen by cheque ₹ 2,500.

Q. No. 2. b) What is a ledger ? Explain need and importance of a ledger. Marks : 6

OR

Q. No. 2. b) Enter the following transactions made by Anand in his purchases book. Marks : 6

April. 1. Bought of Sharanappa and Bros. Gulbarga ₹ 330 less ₹ 30 trade discount.

April. 6. Bought of Jayalaxmi and Co. Belgaum ₹ 800 less 5% trade discount.

April. 15. Bought of Ramesh of Hubli ₹ 1,500.

April. 20. Bought of Sharanappa and Bros, Gulbarga ₹ 800.

April. 25. Bought of Babu and Sons, Bijapur ₹ 1,000 less 10% trade discount.

April. 30. Bought of Bangalore Traders, Bangalore ₹ 1,340.

UNIT – III

Q. No. 3. a) The following are the balances extracted from the books of Mr. Manju as on 31st Dec. 1989 : Marks : 10

	₹		₹
Manju's Capital	30,000	Wages	15,000
Interest (Dr.)	750	Stock (1–1–1989)	4,500
Office Rent	250	Salaries	3,500
Taxes and Insurance	200	Bills payable	3,000
Machinery and Plant	10,000	Loose tools	500
Sundry Debtors	25,000	Cash on hand	400
Bills receivable	2,500	Stock of books	
Sundry creditors	15,000	and stationery	250
Bank overdraft	1,000	Office expenses	350
Business premises	28,000	Sales	48,200
Loan (Cr.)	15,000	Purchases	21,000

Adjustments :

Closing stock ₹ 6,000.

Wages and salaries were outstanding ₹ 100 and ₹ 75.

Insurance prepaid ₹ 25.

Prepare the trading and profit loss account for the year ended 31-12-89 and Balance Sheet as on that date.

OR

Q. No. 3. a) Give the meaning of Final accounts of sole trading concern and prepare Balance-Sheet format with 12 imaginary figures. Marks : 10

Q. No. 3. b) Difference between Trading and Profit and Loss A/c. Marks : 6

OR

Q. No. 3. b) Write the formats of Trading and Profit and Loss A/c. Marks : 6

UNIT – IV

Q. No. 4. a) Explain the Final Accounts of Non-Profit organizations; with the help of formats. Marks : 10

OR

Q. No. 4. a) The following is the Receipts and Payments account of the Hospital at the end of the year 31-12-2007. Marks : 10

Receipts and Payments A/c for the year ended 31-12-2007.

Receipts	₹	**Payments**	₹
To subscriptions	20,000	By Instrument	
To Entrance fees	4,000	and Equipments	
To Endowment		(Purchased	
Fund	2,00,000	On 1-1-2007)	24,000
To Donations	40,000	By furniture	
To fees from		(Purchased	
Patients	5,000	on 1-1-2007)	12,000
To interest from		By Diet expenses	3,600
Bank	400		

To Miscellaneous Receipts	600	By medicines Purchased	2,400
		By Salaries	10,000
		By Office expenses	7,000
		By Govt. Securities (Investment of Endowment fund)	2,00,000
		By Balance C/d	
		Cash 1,000	
		Bank 10,000	11,000
	2,70,000		**2,70,000**

Adjustments :

1) Donations are to be capitalised.

2) Outstanding subscriptions for 2007 ₹ 4,000.

3) Subscriptions received in advance for 2008 ₹ 2,000.

4) Office expenses outstanding ₹ 1,000.

5) Depreciate instruments and equipments at 20% and furniture at 10%.

6) Stock of medicines as on 31-12-2007 ₹ 400.

You are required to prepare the Income and Expenditure account for the year ending 31-12-2007 and Balance Sheet as on that date.

Q. No. 4. b) Features of Non-trading concerns. Marks : 6

OR

Q. No. 4. b) Write a short note on : Marks : 6

Entrance fees.

Donations

Legacies.

UNIT – V

Q. No. 5. a) Write down the merits and demerits of computerised accounting. Marks : 10

OR

Q. No. 5. a) Give the meaning of computerised accounting system and explain its features. Marks : 10

Q. No. 5. b) Tally accounting software. Marks : 6

OR

Q. No. 5. b) Factors to be considered while introducing computerised accounting. Marks : 6