647510 **1101101E2060** **Seat No :________**

B.B.A. Semester - 1 (*CBCS*) Examination
Oct/Nov. -2019 (OLD COURSE)
PRINCIPLES & PRACTICE OF ACCOUNTING (ELECTIVE/ALLIED)

Time: 2:30 Hours **Marks: 70**

Instructions:

1. All Qstions are compulsory.
2. Figures to the right indicate marks.

Q.1 Write a journal entry for the following transactions in the books of Praniti. (14)

2014

June

1. Introduced Cash Rs.50,000, Stock of goods Rs.10,000, Debtors of Rs.15,000 and commenced business.
2. 10% loan of Rs. 20,000 is borrowed from Smt. Sharda.
3. Goods Rs. 8000 purchased from Shri Ram Stores at 10% trade discount.
4. Goods of Rs.5,000 sold to Gayatri Stores at 10% trade discount.
5. Goods of Rs.15,000 purchased from Radha Kishan Stores at 10% trade discount and 10% cash discount, issued cheque for half amount.
6. An order of Rs.10,000 receive from Vibhuti to send goods.
7. As per order to Vibhuti, Goods sent at 10% trade Discount. Paid Rs.50 carriage in cash.
8. Vibhuti become insolvent and bad debts recorded of Rs.300, a cheque received for remaining amount.
9. On payable amount to Anup Rs.1050, paid Rs.1000 by cheque and setteled the account.
10. Received Rs.1500 for written off bad debts of Imaran.

OR

Q.1 The following balances are taken from the books of maharshi as on 31-03-2016. Classify them in to the Debit and Credit balance and prepare a Trial Balance. (14)

Name of Account	Rs.	Name of Account	Rs.
Capital	1,20,000	Bank balance	35,000
Drawings	5,000	Cash balance	12,000
Loan taken	3,000	Stock of goods	50,000
Provident Fund	2,500	Rent paid	1,500
Provident fund contribution	800	Interest received	500
Discount allowed	1,000	Ram Dave (Creditor)	5,000
Discount received	700	Premal Parikh (Debtor)	31,100
Purchases	70,000	Salary	2,000
Sales	92,000	Machinery	18,000
Purchases returns	3,500	Sanghvi Stores (Debtor)	4,000
Sales return	5,500	Travelling expenses	1,200
Furniture	4,500	Mahesh Ltd. (Creditor)	14,000
Stationery Expenses	1,000	Jyoti stores (Creditor)	2,600
Advertisement Expenses	1,200		

Q.2 Enter the following transactions in the Purchase Book, Sales Book and Returns Books of Shri Rajnandani. (14)

2016

June

1. Purchased goods from Kapil at a trade discount of 20% Rs.1,00,000.
2. Of these, half the goods are sold to Gautam at a profit of 20%.
3. Purchased furniture from Abhilash on credit Rs.3,000.
4. Gautam returned defective goods of Rs.2,400, which we returned to Kapil.
5. Purchased goods of Rs.20,000 from Gyanesh at 20% trade discount and 5% cash discount. Paid half the amount in cash.
6. Sold to Deepak goods for cash Rs.3,000.
7. Mayank palaced an order to supply goods of Rs.10,000.
8. Sent goods to Mayank as per his order and paid Rs.100 for carriage on his behalf.
9. Returned defective furniture to Abhilash Rs. 1,000.

Q.2 Record the following transactions in the Triple Columnar cash Book of Anurag and cast the balance at the end of the month. (14)

October – 2018

1. Cash on hand Rs.60,000 and Cash at bank Rs.1,00,000.
5. Purchased goods for cash worth Rs.12,000 at 3% cash discount.
8. Received a cheque from Shrija for Rs.38,000 and allowed him Discount Rs.800.
10. Cheque received from Shrija deposited into bank.
14. Withdrew from bank Rs.12,000 for office use.
18. Goods sold worth Rs.12,000 at 3% cash discount.
22. Cash deposited into bank Rs.10,000.
25. Issued a cheque for payment of salary to Chirag Rs.20,000.
28. Withdrew from bank for personal use Rs.8,000.
30. Received cash Rs.32,000 from Devrsh Which we deposited into bank.

Q.3 Cash book of Shri Sudhir shows bank balance of Rs. 5,000 on 31-12-2015. Prepare a bank reconciliation statement from the information given below. (14)

1. A cheque of Rs.8,000 was deposited with bank on 29-12-2015, but this cheque is not credited in passbook by bank till 31-12-2015.
2. A cheque of Rs.6,000 was sending for collection to bank on 30-12-2015 which is not collected by bank till 31-12-2015.
3. A cheque of Rs.3,000 was issued on 28-12-2015 for payment of electricity bill, which is not debited by bank in passbook till 31-12-2015.
4. A cheque of Rs.2000 was drawn on 27-12-2015 and given to creditor but it is not presented for payment till 31-12-2015.
5. Interest of Rs.80 credited in passbook by bank, which is not debited in cash book.
6. Bank debited Rs.100 in passbook for bank charges, which is not credited in cash book.

OR

Q.3 (A) Hetansh sold goods of Rs.60,000 on two months credit to Hiren on 01-06-2016. On 02-06-2016,Hetansh drew a bill of the necessary amount on Hiren, which Hiren accepted and returned. Hiren paid the money of the bill on the maturity date. Pass journal entries in the books of both the parties. (07)

(B) On 01-08-2016, Dharmesh drew a one month bill of Rs.75,000 on Avadh, which Avadh accepted and retuned. On 28-08-2016, Dharmesh sent this bill for collection through bank. The bill was dishonoured on the maturity date. The bank debited the amount including notice charges Rs.375 and bank commission Rs.225 to Dharmesh's account. On 25-09-2016, Avadh paid the entire amount payable to Dharmesh by a cheque. Pass necessary journal entries in the books of Dharmesh and Avadh. (07)

Q.4 Prepared final account from the Trial Balance and adjustment of Smruti as on 31-03-2018. (14)

Names of Account	Debit. Rs.	Credit. Rs.
Capital	-	2,70,000
Drawings	16,200	-
Land & Building	1,80,000	-
Machinery	1,26,000	-
Furniture	22,500	-
Lease hold building (Date: 01-04-2017 for 5 years)	45,000	-
Sales	-	4,50,000
Purchase return	-	10,800
Debtors	81,000	-
12% Loan from Dixit (01-10-2017)	-	27,000
Purchase	1,80,000	-
Sales return	9,000	-
Freight – Octroi	13,500	-
Sundry expenses	3,150	-
Insurance premium	14,200	-
Bad debts	12,080	-
Bad debts reserve	-	12,600
Discount reserve on debtors	-	450
Commission received	-	6000
Good stock (Date: 1-4-2017)	9,900	-
Salary	42,000	-
Wages	6,600	-
Creditors	-	28,200
Dead stock	4,500	-
Bank overdraft	-	18,900
Cash Balance	36,720	-
Carriage inward	6,000	-
Carriage outward	7,500	-
Bills	12,000	7,000
Discount	5,100	2,000
	8,32,950	**8,32,950**

Additional information:

1. Closing stock as on 31-03-2018 was valued at Rs.50,000.
2. Fire occurred in business on 31-01-2018 due to which goods of Rs.8,000 were destroyed and the insurance company accepted a claim of 70%.
3. Out of debtors, Rs.6,000 is not recoverable so they are to be written off. Provide B.D.R 5% and discount reserve on debtors at 2%.
4. Credit purchases of Rs.6,000 and credit purchase return of Rs.1,000 were not recorded.
5. Calculate depreciation, at 10% on fixed assets.
6. Insurance premium includes Rs.3,200 for the next year.
7. 50% commission is received.

OR

Q.4 Prepare Rectification entries to Rectify the following errors detected while preparing final account of Shree Balaram as on 31-03-2019. (14)

1. Purchase of goods Rs.5,000 is left to be recorded.
2. Installation charges paid Rs.2,000 on purchase of machinery is debited to sundry expenses account.
3. Rs.2,400 paid to Devansi is recorded to Karan's account by mistake.
4. Goods of Rs.5,000 sold to Nayana is recorded in purchase book by mistake.
5. Our bill receivable of Rs.1,900 accepted by Rekha is recorded in bills receivable book by Rs.1,000.
6. Rs.150 credited by bank as interest in Passbook recorded on payment side of Cash book.
7. Goods of Rs.1,200 sold to Amita is recorded in purchase book by Rs.200.

Q.5 Writes short note (Any two). (14)

1. Objectives and Users of Accounting
2. Role of Accountant
3. Discuss any five Accounting concepts
4. Accounting Equation

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