647510 **BBAaccCC1030** **Seat No :________**

# B.B.A. Semester - 1 (*CBCS*) Examination
## Nov/Dec - 2022 (NEW COURSE)
## PRINCIPLES AND PRACTICE OF ACCOUNTING(CORE)

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

**Instructions:**
1. All questions are compulsory.
2. Figures to the right indicate marks.

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**Q-1 Write a short note (any two)** **14**

1. Objective of Accounting
2. Classification of Account
3. Role of Accountant
4. Accounting equation

**Q-2 Record the following transaction in the journal of Raj and prepare capital Account, cash Account, Bank account, purchase Account and Rohan Account and post the transactions there in:** **14**

**October**

1. Started business with cash Rs. 1,00,000 and furniture Rs. 50,000.
2. Purchased goods worth Rs. 10,000 at 10% trade discount and 3% cash Discount.
3. Paid carriage for purchase of goods Rs. 200.
4. Goods worth Rs. 3,000 sold for Rs. 5,000 at 3% cash discount.
5. Opened a bank account with SBI and deposited Rs. 75,000.
6. Purchased goods from Rohan for Rs. 7,000.
7. Returned half of the goods to Rohan.
8. Paid to Rohan by cheque Rs. 3,300 and earned cash Discount Rs.200.
9. Received commission Rs. 2,500.
10. Withdrew from SBI for payment of house rent Rs. 3,000.

**OR**

**Q-2 From the following trial Balance of Mr. Puspendra prepare trial balance as on 31st march 2022.**

| Particulars | Amount Rs. | Particulars | Amount Rs. |
|---|---|---|---|
| Drawings | 30,000 | Opening stock | 5,000 |
| Debtors | 90,000 | Prepaid insurance | 2,00 |
| Capital | 1,50,000 | Wages | 35,000 |
| Sales Return | 2,000 | Salary | 23,000 |
| Bills receivable | 15,000 | Insurance | 18,00 |
| Cash | 41,000 | Bank interest | 200 |
| Discount allowed | 400 | Carriage inward | 600 |
| Creditors | 60,000 | Discount received | 300 |
| Bad debts | 400 | Bad debt reserve | 1,300 |
| Purchase | 1,40,000 | Rent and taxes | 10,000 |
| Machinery | 36,500 | Trading expenses | 2,500 |
| Purchase return | 3,000 | Goodwill | 76,000 |
| Bills payable | 20,000 | Sales | 2,60,000 |
| Depreciation on machinery | 3,500 | 8% loan Miss Mira | 30,000 |
| Furniture | 12,000 | Leasehold building | 14,000 |
| Bank overdraft | 14,000 | Sundry expenses | 1,500 |
| | | Unpaid wages | 2,000 |

**Q-3 Record the following transactions in the subsidiary books of Sahaj Pande for the year 2014.** **14**

**August 2014:**

1. Purchased goods from Anand Rs. 1,70,000 at 10% trade discount.

2.Sold goods to Priya Rs.1,10,000.

4. Bought furniture from Manali furniture mart for Rs. 5,000.

5. Sold goods to Mansi for Rs. 1,12,000 at 5% trade discount.

7. Priya returned goods worth Rs. 35,000.

9. Bought goods worth Rs. 1,15,000 from Vishal at 10% trade discount.

11. Returnd goods to Anand Rs. 25,000.

17. Sold machinery to Hardik Rs.60,000.

21. Returned goods to Vishal Rs.30,000.

27. Paid to Anand the amount due for purchased made on 1st August.

30. Received back goods worth Rs. 5000 from Priya.

**OR**

**Q-3 Record the following transaction in the three columnar cash book with cash, bank and discount columns for Shri Aaryan for the month of May, 2012:**

**2012**

**May**

1. Cash on hand Rs. 15,000 and Overdraft Rs. 12,000.

2. Additional capital brought in the business by selling his personal scooter for Rs. 25,000 and the amount deposited in the bank.

3. Cash sales of Rs. 20,000 at 10% trade discount and 2% cash discount.

4. Sold goods to Chirag Rs. 10,000 at 10% trade discount and he gave crossed cheque for half the amount.

5. Withdrew from the bank Rs. 6,000 for personal expenses.

10. A cheque of Chirag was dishonoured and he gave cash against the cheques.

16. Received crossed cheques for Rs. 9,700 from Ramesh in full settlement of his account of Rs. 10,000.

17. Received 3% commission on total sales of Rs. 4,00,000.

25. Cash deposited in the bank Rs. 10,000.

27. Issued a cheque to Amar for Rs. 7,840 after deducting 2% cash discount.

28. Salary paid to Ashwin Rs. 5,000 by cash and rent to landlord by cheques Rs. 8,000.

31. Keeping Rs. 10,000 cash on hand. The balance deposited in the bank.

**Q-4 On 30-6-2016 Miss Pihu's pass book shows the credit balance of Rs. 6000. Prepare a bank reconciliation statements from the following transactions:** **14**

1. A cheque of Rs. 8000 was deposited in a bank on 20-6-2016 which was credited in pass book by bank till 30-6-2016.

2. Interest of Rs. 80 is credited by bank for which Pihu has no information.

3. A cheque of Rs. 2820 was issued to a creditor, but it was still not presented for the payment.

4. Cheque of Rs. 13,000 were deposited in the bank, but still it is not credited by the bank.

5. Dividend of Rs. 860 is collected by the bank and credited in our account, which is not recorded in cash book.

6. A customer has directly deposited Rs. 2500 in our bank account, for which no information was received by Pihu.

7. Cheque of Rs. 5000 were deposited in the bank but not recorded in cash book.

8. Cheques issued of Rs. 1500 and paid by bank, but it is not recorded in the cash book.

9. Bank has debited Rs. 60 for bank charges in Pihu's account, which remains unrecorded in cash book.

10. Total of payment side of cash book is overcastted by Rs. 2000.

12. A bill discounted earlier with the bank is dishonoured and bank has debited Rs. 2540, with noting charges, for which no information was received by Pihu.

**OR**

**Q-4.(A)**.

Prisha sold goods of Rs. 48,000 on credit to Ansh on 15-5-2016. On the same day, Prisha drew a bill on Ansh for 60 days, which Ansh accepted. On 25-05-2016 Prisha endorsed this bill in favour on a creditors Jinal. The amount of the bill was paid on the maturity date. Pass necessary journal entries in the books of Prisha and Ansh.

**Q-4.(B)**.

On 2-9-2016, Rakshit sold goods of Rs. 89,000 to Namrata on credit. On 4-9-2016, Rakshit drew a three months bill of Rs. 89,000 on Namrata, which Namrata accepted and returned. Rakshit endorsed this bill to his creditor Arjun on 6-9-2016. The bill was dishonoured on the maturity date and Arjun paid noting charges of Rs. 440. Pass necessary journal entries in the books of all parties.

**Q-5 Prepared final account from the Trial Balance and adjustment of Shrujal as on 31-3-2018.** **14**

| **Name 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 | - |
| Leasehold building(Date:1-4-2017 for 5 years ) | 45,000 | - |
| Sales | - | 4,50,000 |
| Purchase return | - | 10,800 |
| Debtors | 81,000 | - |
| 12% Loan from Duttu(1-10-2017) | - | 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 | 7000 |
| Discount | 5,100 | 2000 |
| | 8,32,950 | 8,32,950 |

**Additional information:**

1. Closing stock as on 31-3-2018 was value at Rs. 50,000.
2. Fire occurred in business on 31-1-2018 due to which goods of Rs.8,000 were destroyed and the insurance company accepted a claim of 70%.
3. Out of debtors, Rs.6000 is not recoverable so they are to be written off. Provide bad debts reserve at 5% and discount reserved 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-5 The total of credit column of trail balance was short by Rs. 300. The difference was transferred to suspense Account. The following errors were discovered after the scrutiny of the books of accounts:** **14**

1. The sales book was under cast by Rs. 3,000.
2. The stationery purchased for Rs. 500 was entered in purchase book.
3. Purchase return book had been under cast by Rs. 2000.
4. Discount received from a creditor Rs. 500 was debited to discount allowed account.
5. A sales of Rs. 4500 has been debited to customer account as Rs. 5400.
6. Advertisement expenses of Rs. 600 entered in Cash Book was omitted to be posted in ledger.
7. A purchase of Rs. 3000 was wrongly entered in sales book.
8. Salary paid to Mr. Subodh Rs. 5000 was debited to his account.

Pass necessary journal entries to rectify the above errors and prepare suspense Account.

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