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

B.B.A. Semester - 1 (*CBCS*) Examination
Oct/Nov-2023 (Syllabus Year - 2016)
PRINCIPLES & PRACTICE OF ACCOUNTING(ELECTIVE/ALLIED)

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

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

Que.1 Write a short note. (any two) (14)

1. Generally Accepted Accounting Principles
2. Role of Accountant
3. Relationship of Accounting with economics
4. Objective of Accounting

Que.2 Journalise the following transactions in the books of Priyal. (14)

1. She started business with cash Rs. 40,000. Office Rs. 10,000, stock Rs. 20,000, Creditor Mr. A Rs. 10,000.
2. Deposited Rs. 15,000 in Bank.
3. Paid by cheque to Mr. A after deducting 2% as cash discount.
4. Goods of Rs. 10,000 sold to B at 5% Trade discount, amount paid by cheque Rs. 5,000 and balance in cash.
5. Goods of Rs. 10,000 lost by theft, 70% amount claim to insurance company.
6. Paid rent Rs. 5,000. Half of the premises was used as own residence.
7. Paid income tax Rs. 1,000 by cheque and sales Tax Rs. 500 by cash.
8. Goods Rs. 100 distributed as free samples while goods of Rs. 200 received as free sample.
9. Loan of Rs. 20,000 was taken from X at 10% p.a.
10. Value of stock decreased by Rs.1,000 due to poor market conditions.

OR

Que.2 From the following trial balance of mr. puspendra prepare trial balance as on 31st march 2002.

Particulars	Amount	Particulars	Amount
Drawings	30,000	Opening stock	5,000
Debtors	90,000	Prepaid insurance	200
Capital	1,50,000	Wages	35,000
Sales Return	2,000	Salary	23,000
Bills receivable	15,000	Insurance	1,800
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 of Miss Mira	30,000
Furniture	12,000	Leasehold building	14,000
Bank overdraft	14,000	Sundry expenses	1,500
		Unpaid wages	2,000

Que.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. Returned 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

Que.3 Record the following transactions in a suitable cash book of M/s. XYZ & Co. September:

1. Opening Balance Cash Rs.210, Bank Rs. 7,520.
2. Received a Cheque from M/s. Sorabji and Son's in full settlement of their dues Rs. 17,800 less 1% cash discount.
3. Paid to M/s. Mahanti & Bros. by cheque of Rs. 4,000 for goods purchased on 2nd of July. Mahanti & Bros. offered 2% cash discount for payment within a month and 1% cash discount for payment within 2 months.
4. Withdrawn Rs.5,000 and paid wages Rs. 4,100.
5. Received Rs. 8,900 from bhimdev, Cash discount Rs. 100 was offered to him.
6. Paid Rs.1,500 to Shami Azam net of discount against total dues of Rs. 1,550.
7. Got the information that the cheque received from M/s Sorabji & Sons was dishonored & bank charges Rs.15.

Que.4 On checking Ami Cash book with Bank Statement of her overdrawn current account for the month of November, 2015, Prepare bank reconciliation statement. (14)

1. Cash book showed an overdraft of Rs. 4500.
2. The payment side of the Cash book had been undercasted by Rs. 150.
3. A cheque for Rs. 750 drawn on saving deposit account has been shown as drawn on current account, in cash book.
4. Cheque amounting to Rs. 7000 drawn and entered in the cash book had not been presented.
5. Cheque amounting to Rs. 6000 sent to the bank for collection, through entered in the cash, book had not been credited by the bank.
6. Bank charges of Rs. 75 as per bank statement of account had not been taken in the cash book.
7. Dividends of the amount of Rs.2500 had been paid direct to the bank not entered in the cash book.

=> You are required to arrive at the balance as it would appear in the bank statement as on 30th November, 2015.

OR

Que.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. (07)

Que.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. (07)

Que.5 Prepared final account from the Trial Balance and adjustment of Ajay Gohel as on 31-3-2018. (14)

Name of account	Debit Rs.	Credit Rs.
Drawing & capital	26,400	3,30,000
Purchase & sales	3,24,900	8,80,000
Goods returns	88,000	22,000
Provident fund and contribution to provident fund	11,000	1,10,000
Provident fund investment and Interest on provident fund investment	1,10,000	8,800
Debtors & creditors	2,20,000	1,65,000
Discount	50,600	15,400
Bad debts & bad debts reserve	33,000	49,500
Bills	16,500	27,500
Goods stock (1-4-2017)	88,000	-
Demurrage	3,300	-
Custom duty	21,000	-
Trade expenses	1,00,000	-
Cash balance	10,000	-
Bank balance	35,100	-
Fixed assets (cost price rs. 6,00,000)	4,80,000	-
Advertisement expenses	10,000	-
Other income	-	19,600
	16,27,800	16,27,800

=> Adjustment:

1. Stock as on 31-3-2018 is Rs. 2,02,000 out of which Rs. 2000 of stock was for advertisement goods stock and from the remaining stock the market value of 40% stock is 20% more. Market value of 30% stock is less by 20%, whereas remaining stock needs to be repaired at the expenses of Rs. 5,000.
2. Goods of Rs. 7,500 given as the advertisement.
3. Credit sales of Rs. 10,000 wrongly recorded as credit purchase.
4. Write off Rs. 30,000 as bad debts from debtors and provide 10% bad debts reserve.
5. Calculate 10% interest on Capital and 6% interest on Drawings.
6. Calculate depreciation at 10% on fixed assets as per straight line method.

OR

Que.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:

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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