

Seat No.	
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B.C.A. (Part - I) (Semester - I) Examination, April - 2015

FINANCIAL ACCOUNTING

Sub. Code : 59572

Day and Date : Thursday, 09 - 04 - 2015

Total Marks : 80

Time : 11.00 a.m. to 02.00 p.m.

- Instructions :**
- 1) Attempt any Four questions from Que. No. 1 to Que. No. 7.
 - 2) Question No. 8 is compulsory.
 - 3) Figures to the right indicate full marks.

Q1) The following balances appeared in the ledger of Amit on 1st Oct. 2010.

Debits	Rs.	Credits	Rs.
Cash A/c	4,200	Capital Account	13,000
Goods A/c	3,700		
Bank A/c	3,300		
Ramesh's A/c	1,800		
	13,000		13,000

This transactions in the month of October 2010, were as follows -

- Oct. 3 Withdrawn from the bank Rs 1,000 for office and Rs 500 for self.
- 9 Received from Ramesh Rs. 1,000 less 2% Cash discount.
- 15 Sold goods to Ramesh Rs. 3,000 less 10% Trade discount.
- 16 Ramesh Returned goods Rs. 150.
- 18 Deposited Cash into bank Rs. 1,000.
- 30 Cash Sales for the month Rs. 5,600.
- 30 Cash Purchases for the month Rs. 4,850/-
- 30 Goods withdrawn for personal use Rs. 800.

Stock of goods on hand at the end of month Rs. 5800.

- a) Journalise the transactions in the books of Amit. [8]
- b) Ledger posting in the books of Amit. [8]

P.T.O.

Q2) a) Explain the Accounting concepts. [8]

b) Explain the Accounting Conventions. [8]

Q3) Enter the following transactions in Ashok's Cash book with Cash, Bank and discount Columns.

2010

- May 1 Opening Cash balance Rs. 25,000 and bank balance Rs. 18,000.
- 2 Purchased goods worth Rs. 25,000 at 10% T.D. and 5% Cash Discount term. Half of the amount paid in Cash and half the amount by cheque.
- 4 Cash sales Rs. 22,000/- at 10 T.D. and 5% C.D.
- 5 Received a Cheque of Rs. 5,750/- from Manohar and deposited into bank on the same day.
- 7 Paid to seema by Cheque Rs 4,900 and earned discount of Rs. 100.
- 9 Cheque received from Manohar returned dishonoured by the bank.
- 10 Withdrawn from bank Rs 4,000 for office use.
- 11 Withdrawn from office Rs 2,200 and from bank Rs. 2,500 for personal use.
- 14 Ramakant directly deposited Rs. 6,000/- in our bank account.
- 15 Bank debited our account with Rs. 400 for bank charges and for interest Rs. 450.
- 16 Transferred Rs. 12,000 from fixed deposit account to current account.
- 18 Bought goods Rs. 36,000 from kamal and 40% of the amount due paid in Cash and balance one month latter.
- 20 Sold goods costing Rs. 36,000 and allowed 5% Cash discount
- 22 Purchased machinery costing Rs. 15,000 for business use
- 24 Paid Salaries by cheque Rs. 6,000 and paid commission Rs. 500 by Cash.
- 26 Received cheque of Rs. 5,000 from Ramesh on account.
- 28 Deposited cheque received from Ramesh into Bank A/c.
- 30 Deposited all the cash in bank in excess of Rs. 10,000.

[16]

- Q4) a) Explain the term 'Double Entry' with Illustration. [8]
 b) Explain the Classification of an Accounts. [8]

Q5) The Trial Balance and the necessary adjustments are given below.

The Trial balance as on 31st March 2010

Particulars	Rs.	Particulars	Rs.
Purchases	1,25,225	Capital	62,000
Sales Returns	4,250	Sales	2,05,000
Sundry Debtors	50,200	Purchase Returns	3,230
Opening stock	28,788	Commissions	245
Wages	20,167	Sundry Creditors	31,073
Salaries	13,677	Dividend on investment	825
Furniture	7,450	Reserve for Doubtful debts	500
Machines	7,500	Bank Over draft	17,000
Bad debts	315	Outstanding wages	700
Advertisement	3,000		
Investments	9500		
Insurance	320		
Drawings	4,500		
Bank Balance	27,981		
Land and Building	15,000		
Rent	2,000		
Interest	500		
Commission	200		
	3,20,573		3,20,573

Adjustments:

- Closing stock: cost price Rs. 25,000 Market price 30,000.
- Prepaid Insurance Rs. 80
- Outstanding Exp-Salaries Rs. 2000, Rent Rs. 1000.
- Depreciate Furniture at 5% machinery at 10% and Buildings at 15%
- Provide Rs. 600 for further bad debts and maintain reserve for bad and doubtful debts @ 5%
- Allow interest at 5% on capital.

Prepare the Trading and profit and loss Account and Balance-sheet as on 31st Mar. 2010

[16]

- Q6)** a) Define Depreciation Explain the merits and Demerits of straight line Method. [8]
b) Explain the merits and demerits of Reducing Balance Method. [8]

Q7) Prepare Bank Reconciliation statement as on 31st Jan. 2010 from the following particulars - [16]

- a) Balance as per pass Book is Rs. 5,000.
- b) Cheques deposited in the bank but not realised Rs. 1,500.
- c) Cheques issued but not presented for payment Rs. 1,400.
- d) Interest of Rs. 150 and dividend of Rs. 200 collected and credited by the bank, but not recorded in the cash Book.
- e) Insurance premium of Rs. 250 and bank charges Rs. 50 debited in the pass book, but not recorded in the cash book.
- f) Cheques for Rs. 1,200 deposited into the bank, it was realised but entered twice in the cash book.
- g) Cheques of Rs. 445/- issued and it was presented for payment but entered in the cash book as 544.

Q8) Write short answers (Any two): [16]

- a) Explain the Accounting concepts with Examples.
- b) Explain the classification of Accounts.
- c) Define Trial Balance, Give objectives of Trial Balance.
- d) Explain the need and importance of bank Reconciliation Statement.

