

Seat No.	
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B.C.A. (Faculty of Commerce) (Part - I) (Semester - I)

Examination, April - 2017

FINANCIAL ACCOUNTING

Sub. Code : 59572

Day and Date : Thursday, 13 - 04 - 2017

Total Marks : 80

Time : 11.00 a.m. to 2.00 p.m.

- Instructions :**
- 1) Question No. 8 is compulsory.
 - 2) Attempt any four questions from Q.1 to Q.7.
 - 3) All the questions carry equal marks.
 - 4) Figures to the right indicate full marks.

Q1) Prepare Trading, Profit & Loss Account for the year ending 31st March 2016 and Balance sheet as on that date from the following trial balance of Mr. Atul. [16]

Trial Balance

<u>Debit Balances</u>		<u>Credit Balances</u>	
Opening stock	82,000	Sales	4,15,000
Purchases	3,10,200	Purchase return	1,500
Cash at bank	57,320	Commission received	7,440
Freehold premises	72,200	Interest on Investment	800
Trade expenses	1,500	Sundry creditors	60,400
Printing stationery	3,460	Capital	2,30,000
Postage	560	Discount received	7,500
Investment	5,000		
Sundry Debtors	75,000		
Wages	45,000		
Salaries	33,000		
Sales tax	2,700		
Discount allowed	13,100		
Sales return	1,100		
Bills Receivable	7,000		
Furniture	5,500		
Rent & taxes	8,000		
	<u>7,22,640</u>		<u>7,22,640</u>

P.T.O.

Adjustments :

- a) On 31st march 2016 outstanding wages were Rs. 9000 and outstanding rent Rs. 800.
- b) Provide depreciation on premises at 5% and on furniture 15%.
- c) Salaries paid in advance Rs. 1000.
- d) Stock on 31st march 2016 was Rs. 1,08,000

Q2) What is trial balance? Explain objectives & importance of trial balance. [16]

Q3) What are accounting conventions? Explain in brief all the conventions. [16]

Q4) Describe the different types of cash book. [16]

Q5) Journalise the following transactions in the books of Mr. Satish for the month March 2016. with narrations. [16]

<u>Date</u>	<u>Transactions</u>	<u>Amount</u>
1st	Commenced business with cash	75,000
2nd	Purchased furniture for cash	35,000
4th	Deposited in to bank	20,000
6th	Purchased goods by cheque	15,000
8th	Sold goods for cash	10,000
12th	Sold goods on credit to Subhash	5,000
17th	Paid stationery expenses	650
25th	Paid salary	3,500

Q6) Prepare Bank Reconciliation statement as at 31st March 2016 from the following information. [16]

- a) Bank balance as per cash book Rs. 40,000
- b) Cheques received and deposited into bank but not collected up to 31st march 2016, Rs. 6,250.
- c) Cheque issued to Sunil Rs. 7,500 which is not presented up to 31st march 2016.
- d) Interest on Fixed deposit credited into passbook only Rs. 3,750.
- e) Telephone bill paid by bank Rs. 2,500.
- f) Cheque of Rs. 5,000 deposited into bank but dishonoured.
- g) Bank charges Rs. 1,250 debited in passbook only.
- h) Dividend collected and credited by bank Rs. 5,000.
- i) Transfer Rs. 7,500 From Fixed deposit account to current account is not recorded in cash book.
- j) Bank balance as per passbook Rs. 48,750.

Q7) On 1st July 2001, Gopal Ltd purchased second hand machine for Rs. 20,000 and spent Rs.3,000 on reconditioning and installing it. On 1st Jan 2002 the firm purchased new machinery worth Rs. 12,000. On 30 June 2003 the machinery purchased on 1st Jan. 2002 was sold for Rs. 8,000. On 1st July 2003 a fresh machinery was purchased for Rs. 15,000.

The company writes of depreciation @ 10% p.a. on original cost. The accounts are closed every year on 31st March. Show the machinery account and depreciation account for the year ending 31/3/2005. [16]

Q8) Write short notes (Any two out of 4): [16]

- a) Business entity concept and going concern concept.
- b) Straight line method and reducing balance method.
- c) Users of accounting information.
- d) Types of subsidiary books.

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