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

B.B.A. Semester - 1 (*CBCS*) Examination
Feb/Mar. -2021 (OLD COURSE)
PRINCIPLES & PRACTICE OF ACCOUNTING (ELECTIVE/ALLIED)

Time: 1:30 Hours **Marks: 42**

Instructions:
1. Figures to the right indicate marks.
2. There are five questions in the question paper.
3. Answer any three of the following questions.

Q.1 Explain any seven accounting concepts, in detail with appropriate Examples. (14)

Q.2 Enter the following transactions in the Journal of Shree Sumit and prepare Mahesh and Naresh A/c. (14)

1. Started new business with capital of Rs. 1,20,000 which includes Rs. 1,00,000 cash and Rs. 20,000 furniture.
2. Deposited Rs. 80,000 in bank account newly opened with oriental bank of commerce.
3. Purchased goods with Rs. 20,000 at 10% trade discount from Mahesh.
4. Paid to Mahesh Rs. 17,500 in full settlement of his A/c.
5. All the goods purchased from Mahesh sold to Naresh at 20% profit.
6. Received half payment from Naresh in Cheque.
7. Purchased stationery for Rs. 1,000 from N. J. Stationery stores.
8. Paid Rs. 1,000 rent for the shop.
9. Purchased goods worth Rs. 20,000 at 10% trade discount and 5% cash discount.
10. Purchased a computer for Rs. 28,000 and paid amount by cheque.
11. Government has recommended cash less transactions therefore bank has sanctioned bank over draft Rs. 50,000

Q.3 From the following transactions of OM Traders prepare purchase Book, Purchase Return Book, Sales Book and Sales Return Book for the monthof March, 2016: (14)

2016

March 1: Purchased goods of Rs. 8,000 from Manish for cash at 10% trade discount.

" 2: Purchased furniture against cheque of Rs. 8,000 from Tulip Furniture Mart.

" 3: Purchased from Sanjay goods costing Rs. 10,000 at 10% trade discount.

" 5: Half the goods Purchased from Sanjay was sold to Jitendra at a profit of 25% on the Selling price.

" 7: Old furniture of Rs. 15,000 sold to Damodar for Rs. 3,500.

" 9: Sold goods to Sejal for Rs. 8,000.

" 11: Goods of Rs. 400 was returned back to Sonali as they were defective and Received a credit note for it.

" 15: Goods of Rs. 800 sold to Parul in February, was received back as they Were Not according to sample.

" 20: Jitendra returned defective goods of Rs. 1,200 which we returned back to Sanjay.

" 27: Purchased goods from Shivam for Rs. 8,000 at 10% trade discount and 5% cash discount. Half the payment was made immediately.

Q.4 The Pass Book of Shri Balkrishnan shows Bank Overdraft of Rs. 13,500 on 30-6-2016. (14)
On comparing with cash Book, the following discrepancies were found.

1. Cheques of Rs. 40,000 were paid into the bank, of which, cheques of Rs. 28,500 only were credited in the pass-book.
2. Bank has credited Rs. 750 for interest and debited Rs. 500 for bank charges.
3. A customer, Badriprasad has directly deposited into bank, a cheque of Rs. 10,000.
4. A cheque of Rs. 4,000 deposited into the bank was omitted to be recorded in the cashbook.
5. A bill receivable of Rs. 6,000 earlier discounted with the bank, was dishonoured and the bank has debited Balkrishnan's account with Rs. 6,150 including bank charges.
6. A cheque of Rs. 7,250 issued to a creditor and cleared by the bank, was not recorded in the cash book.
7. Bank has paid Rs. 5,500 for insurance premium and Rs. 3,000 as calls on shares on behalf of Balkrishnan but these were not recorded in cash book.
8. Bank has collected Rs. 9,000 for dividend which was not recorded in the cash book.

Prepare bank reconciliation statement as on 30-06-2016.

Q.5 The following is the Trial Balance of Shri Nikhil as on 31st March, 2016: (14)

Names of Account	Dr. Rs.	Cr. Rs.
Capital & Drawings of Nikhil	15,000	1,00,000
Buildings	25,000	
Machinery	25,000	
Stock (1-4-'15)	46,000	
Furniture	8,000	
Depreciation on furniture	400	
Debtors & Creditors	75,500	65,000
Cash & Bank Balance	8,990	
Purchase and Sales	90,000	1,65,000
Goods Returns	10,000	8,000
Wages	10,000	
Salaries	9,000	
Bad debts	1,500	
Bad debts reserve		2,000
Railway freight and customs	4,000	
Outstanding Wages		1,000
Postage, Telegram, Stationery & Printing	2,000	
Advertising Expenses	2,000	
Discount	3,050	1,500
12% Loan (from 1-10-'15)		5,000
Interest on Investments		240
Investments	4,000	
Interest on 12% Loan	100	
Insurance Premium (for the year ending 31-5-'16)	1,200	
Bills of Exchange	20,000	5,000
Commission		8,000
	3,60,740	3,60,740

Taking into account of the following adjustments, prepare Trading and Profit and Loss Account and the Balance Sheet.

1. Stock on hand of 31-3-’16 is of Rs. 20,000 but its market value is Rs. 18,000.
2. Depreciate Machinery by 10%, Building was valued at Rs. 20,000 on 31-03-2016.
3. Write of Rs. 500 from debtors, Provide for reserve for bad and doubtful debts at 5% on Debtors.
4. A private machine of Rs. 500 brought by Nikhil of 31-3-’16 has not been recorded in the books.
5. Interest at 12% on capital is to be allowed and interest at 12% on drawings is to be charged for six months.
6. Rs. 100 paid for erecting a machine brought by Nikhil on 31-3-’16 has been debited to wages account.

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