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

B.B.A. Semester - 1 (*CBCS*) Examination
Nov/Dec - 2022 (OLD COURSE)
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 What do you mean by accounting? Explain its nature and objectives of accounting. (14)

OR

Que.-1 **Write detailed note on any two following.**

A. Materiality concept **B.** Matching concept

C. Going concern concept **D.** Business entity concept

Que.-2 Record the following transactions in the journal of Dipak and also post them into ledger (14)

Oct. 1 Started business with cash Rs.2, 00,000 and furniture Rs. 1, 00,000

Oct. 2 Purchased goods worth Rs. 20,000 at 10% trade discount and 3 % cash discount

Oct. 3 Paid carriage for purchased of goods Rs. 400

Oct. 4 Goods worth Rs. 10,000 sold at 3 % cash discount.

Oct.5 Opened bank account with sbi and deposited Rs. 1, 50,000

Oct. 5 Purchased goods from Shyam for 14,000

Oct. 6 Returned half of goods to Shyam.

Oct. 7 Paid to Shyam by cheque Rs. 6600 and earned cash discount Rs. 400

Oct. 8 Received commission Rs. 5,000

Oct. 10 Withdrew from SBI for payment of house rent Rs. 6,000

OR

Que.-2 Records the following transactions in the journal of Shri Hardik and post them into ledger.

November 2022,

1. Started business with cash Rs. 38000, furniture Rs. 3,500, stock Rs. 2,800 and creditors Rs. 2,300.
2. Opened bank account with Rs. 28,000
3. Bought from Jitubhai, goods 400 kgs at Rs. 10 per kg at a 10 % trade discount and 5 % cash discount and paid amount by cheque.
4. Goods purchased from Jitubhai now sold to Ramnikbhai at a profit of 16.67 % on selling price.
5. Paid life insurance premium Rs. 600 and fire insurance premium Rs. 400 by cheque.
6. Withdrawn goods of Rs. 240 from shop and withdrawn from bank Rs. 2,560 for personal use.
7. Amount due from Ramnikbhai is written off after recovering Rs. 3,000 from him.

Que.-3 Prepare purchase book, sales book and returns books of Shri Chirag from the following transactions (14)

March, 2022

1. Purchased goods from Himansu for Rs. 14,000 at 10 % trade discount.
2. Sold goods to Aswin for Rs. 20,000
3. Bought furniture from Ramesh furniture mart for Rs. 10,000
4. Sold goods to Kamlesh for 24,000 at 5% trade discount.
5. Aswin returned goods worth Rs. 7,000
6. Bought goods worth Rs. 30,000 from Nilesh @ 10 % trade discount.
7. Returned goods to Himansu rs. 5,000
8. Sold machinery to Vijay Rs. 12,000
9. Returned goods to Nilesh Rs. 6,000
10. Paid to Anil the amount due for purchases made on 1st march.
11. Received back goods worth Rs. 1,000 from Aswin.

OR

Que.-3 Record the following transactions in the columnar cash book with cash bank and discount columns for Mr. Vyas for the month of march, 2022

2022	
March 1	Cash on hands. 20,000 bank overdrafts 30,000
March 1	Additional capital brought in the business by selling his personal scooter for Rs. 40,000 and the amount deposited in the bank.
March 5	Cash sales of Rs. 40,000 at 10% trade discount and 2% cash discount.
March 8	Sold goods to Chetan Rs. 20,000 at 10% trade discount and he gave crossed cheque for half the amount.
March 10	Withdrew from the bank Rs. 10,000 for personal expenses.
March 15	Cheque of Chetan was dishonored and he gave cash against the cheque.
March 20	Received 3% commission on total sales of Rs. 6, 00,000
March 22	Cash deposited in the bank of Rs. 20,000
March 25	Received a crossed cheque for Rs. 19,400 from ram in the full settlement of his account of Rs. 20,000
March 28	Issued a cheque to Amar for Rs. 15,680 after deducting 2% cash discount.
March 29	Salary paid to Ashwin Rs. 10,000 by cash and rent to landlord by cheque Rs. 16,000
March 31	Keeping Rs. 2,000 cash on hand the balance deposited in the bank.

Que.-4 Vipul has drawn a bill of Rs.12,000 on Mayur payable after two months from the date of issue. Mayur accepted the bill and sent to Vipul after having duly signed. Vipul sent the bill to bank for collection. On the date of maturity bank collected the money on behalf of Vipul charging rs.50 for collection. Pass necessary journal entries in the books of all parties. (14)

OR

Que.-4 On 28-2-22 bank balance as per cash book of Mansi was Rs. 6000 which does not tally with the bank balance as per pass book. Prepare bank reconciliation statement from the following transactions:

1. Cheques of Rs.16, 000 were deposited in the bank, but out of these, cheques of Rs. 6,000 are only realized.
2. Drawn cheques of Rs 5,000 which were recorded in cash book, but same is not handed over to the creditor.
3. Insurance premium of Rs. 7,200 paid by bank on our behalf which is not recorded in cash book.
4. A customer has directly deposited cheque of Rs. 11,200 in our bank account for which information was received on 03/03/22.
5. Bank charges of Rs. 140 are by mistake recorded twice in cash book.
6. A cheque of Rs. 5,300 was deposited in bank, was dishonored for which information was received on 04/03/22.
7. Cheques of Rs. 14,000 were issued, but cheques of Rs. 9,000 are only presented for payment.
8. Cheque of Rs. 6,000 was deposited in bank but was left to be recorded in cash book and same is not credited by bank in pass book.
9. Interest of Rs. 160 is credited by bank and bank charges of Rs. 100 are debited by bank.
10. Total of payment side of cash book is under cast by Rs. 6,700

Que.-5 Shri Harshad provides you the following information. You are requested to prepare the final accounts for the year ending 31-3-2022. (14)

Debit Balance	**Amt**	**Credit Balance**	**Amt**
Opening stock	17,000	Capital	1,00,000
Purchase	96,100	Creditors	55,600
Wages	7,400	Sales	1,72,000
Carriage inward	5,400	Rent	2,400
Salary	6,000		
Carriage outward	2,000		
Furniture	4,600		
Depreciation on furniture	500		
Building	80,000		
Debtors	81,000		
Repairs	1,000		
General expenses	4,200		
Insurance premium	1,600		
Stationery	2,500		
Drawings	8,000		
Cash & bank balance	12,500		
	3,30,000		**3,30,000**

Adjustment:

1. Closing stock on 31-3-2022 was Rs 10,000.
2. Rs 2,000 was outstanding for salaries.
3. Depreciate building by 5%.
4. Insurance paid in advance Rs 200.
5. Credit purchase of Rs. 1000 was not recorded in the books of account.

OR

Que.-5 The trial balance of Krishna does not agree and the difference of 6,300 as transferred to the credit of suspense account. Later on, following errors were discovered.

1. The sales has been under cast by Rs. 3,000
2. Furniture bought for Rs. 400 has been entered into the purchase book.
3. Accrual of Rs. 160 for stationery has been omitted.
4. Purchase return has been under cast by Rs. 1,800
5. Discount Rs. 480 received has been debited as discount allowed.
6. A bed debt of Rs. 520 has not been written off and provision for bad and doubtful debt has to be maintained at 10 % on debtors which are shown in the trial balance at Rs. 4,520 and provision of bad debt shows a credit balance of Rs. 400
7. Sale of Rs. 900 has been debited to a customer at Rs. 1,080
8. A machine bought originally for Rs. 1,800 before 5 years and depreciated to Rs. 200 has been sold for Rs. 360 in the beginning of the year but no entries other than in the bank account has been passed through the book.

Pass rectification entries and close the suspense account.

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