

B.B.A. (CBCS Pattern) Sem-I
UCB1C05 - Financial Accounting-I

P. Pages : 5

Time : Three Hours



GUG/W/22/10586

Max. Marks : 80

- Notes : 1. All questions are compulsory.
2. All questions carry equal marks.

1. a) Difference between Book – Keeping and Accountancy. **8**

b) On 1st January 2020, Pranita stores started business with a capital of Rs. 12,000. The particulars of his cash receipt and payment for January 2020 are given below. **8**

2020 Jan.

2nd Purchased goods for cash Rs. 4,000

4th Sold goods for cash Rs. 2,400

6th Paid office expenses Rs. 300

10th Purchased for cash Rs. 4,200

13th Postage Rs. 60

15th Gave to Ashok Rs. 2,500

18th Received from Ramesh Rs. 400

22nd Cash sales Rs. 1,500

24th Cash Purchases Rs. 1,000

25th Bought Furniture Rs. 600

28th Paid salaries Rs. 500

Paid rent Rs. 300

Record the above transaction in the Cash Book.

OR

c) Journalise the following transaction in the books of Mr. Roshan. **16**

Date Oct. 2020	Particular	Amount
1	Purchased goods from Ajay kumar	4,500
3	Sold goods for cash	1,500
5	Paid to Himanshu by cheque	5,500
10	Deposited in Bank	2,800
13	Sold goods on credit to Mr. Mukesh	1,700
15	Paid for postage	100
16	Received cash from Rakesh	2,200
17	Paid telephone charges	250
18	Cash Sales	1,500
20	Purchased Government Securities	5,000
25	Cash purchases	16,500
31	Allowed interest on capital of Rs. 22,000 @ 10% per annum for one year	
31	Paid salaries	1,500
	Rent	600

2. a) Prepare profit & Loss Account from the following information.

8

Gross Profit	32,800	Commission Received	8,500
Salaries	3,000	Statutory Reserve	3,500
Furniture	5,000	Auditors Fees	300
General Expenses	1,500	Interest paid to Bank loan	1,500
Insurance Premium	1,800	Membership Fees	250
Received Dividend	1,200	Debtors	20,000
Directors Fees	7,500		
Share Capital	50,000		

Adjustment:

- Depreciate Furniture @ 5% p.a.
- Reserve for Doubtful Debts @ 5% on debtors.
- Unexpired insurance premium Rs. 800
- Provision of Rs. 500 is to be made for Secretary's honorarium.

- b) From the following information prepare a Balance Sheet as at 31st March 2020

8

Share Capital	88,000	Reserve Fund	32,400
Bills payable	4,000	Govt. Bonds	20,000
Depreciation Fund	1,600	Reserve for bad debt	10,000
Loan from member	12,000	Sundry Creditors	1,60,000
Bills Receivable	8,000	Closing stock	40,000
Outstanding Exp.	7,000	Cash at Bank	60,000
Income received in advance	9,000	Cheques in hand	4,000
Prepaid expenses	4,000	Sundry Debtors	1,10,000
P & L A/c (Cr.)	60,000	Furniture	18,000
		Building	1,20,000

OR

- c) The following is the trial balance of Abhimanyu Co. Ltd. as at 31st March 2018

16

Particular	Amount	Particular	Amount
Stock	7,500	Sales	35,000
Purchases	24,500	Discount	500
Wages	5,000	P & L A/c 31/03/2017	1,503
Discount	700	Capital	10,000
Salaries	750	Sundry Creditors	1,750
Rent	495	Reserve	1,550
General Expenses	1,705		
Dividend Paid	900		
Sundry Debtors	3,750		
Plant & Machinery	2,900		
Cash in hand	1,620		
Bad Debts	483		
	50,303		50,303

Additional Information:

- Stock on 31st March 2018 Rs. 8,200
- Depreciate Machinery @ 10%
- Provide 5% discount on debtors.
- Allow 2.5% discount on creditors.

- v) Provide managing directors commission 15% on the net profit before deducting the commission.
- vi) One months rent Rs. 45 was due on 31st March 2018.
- vii) Six months insurance was unexpired Rs. 38 which is included in general expenses.

3. a) Dr. Vrunda started practice as a medical practitioner on 1st Jan 2019. She gives you the Receipts and Payments Account for the year 2019. Prepare her Receipt & Expenditure Account

8

Receipt & Payment Account
For the year ended 31st December 2019

Receipt	Amount	Payment	Amount
To, Opening Cash	7,500	By, Furniture	3,000
To, Examination Fees	24,000	By, Equipment	3,750
To, Receipt from Dispensary	15,000	By, Drugs	4,500
To, Sundry Receipt	150	By, Salaries	3,000
		By, Rent	2,250
		By, Conveyance	1,500
		By, Stationary	150
		By, Lighting	225
		By, Journals	375
		By, Drawings	18,000
		By, Balance c / d	9,900
	46,650		46,650

- b) Adv. Manish Started his practice at Nagpur High Court on 1st January 2020. His receipt and payment account for the year ended 31st December 2020 was as follows.

8

Receipt & Payment Account
For the year ended 31st December 2020

Receipt	Amount	Payment	Amount
To, Cash brought in	25,000	By, Furniture	6,000
To, Receipt from Consultancy	10,000	By, Law Books	2,500
To, Receipt from Clients	45,000	By, Rent	3,600
To, Sundry Receipt	500	By, Newspaper	250
		By, Honorarium to Assistants	24,000
		By, Withdrawals	12,000
		By, Stationary	150
		By, Balance c/d	32,000
	80,500		80,500

On 31st December 2020:

- i) Rent outstanding was Rs. 1200.
- ii) Honorarium due to Assistant was Rs. 4,000
- iii) Rs. 3,500 were yet to be received from clients.

Prepare Receipt & Expenditure Account for the year ended 31st December 2020.

OR

- c) Dr. Vishal Katkar commenced practice on 1st January 2021. He has prepared the following Receipts & Payments Account for the year 2021. 16

Receipt & Payment Account
For the year ended 31st December 2021

Receipt	Amount	Payment	Amount
To, Cash Introduced	40,000	By, Furniture	30,000
To, Income from visit	8,000	By Equipment	10,000
To, Receipt from Dispensary	26,000	By, Drugs Purchased	6,000
To, Miscellaneous Receipt	100	By, Compounder's salary	2,000
		By, Rent	800
		By, Conveyance	1,500
		By, Stationary	600
		By, Lighting	200
		By, Journals & Newspaper	250
		By, Medical Books	8,000
		Investments	10,000
		By, Balance c/d	4,750
	74,100		74,100

Additional Information:

- i) Rs. 2,000 were still to be received on account of visits.
- ii) Compounder's salary of Rs. 400 and a bill of stationary of Rs. 200 are outstanding.
- iii) Stock of drugs on hand was estimated at Rs. 800.
- iv) Depreciate Furniture by 10% and Equipment by 20% p.a.
- v) Conveyance include the private travelling expenses of Rs. 500.

Prepare Receipts & Expenditure Account for the year ended 31st December 2021 and Balance Sheet as on that date.

4. a) Nilesh Co. Ltd. Nagpur sent on consignment 1,000 plastic chair at a cost price of Rs. 250 each to Kamlesh of Chandrapur. The company paid Rs. 2,000 as freight and Rs. 1,000 as insurance premium while sending the chairs to Kamlesh. Kamlesh was entitled to commission at 6% on the gross sale proceeds. 8
- Nilesh Co. Ltd. drew a bill of exchange of Rs. 60,000 on Kamlesh as an advance against the consignment. Kamlesh accepted the bill and returned to the company which discounted the bill with its bankers for Rs. 59,600.
- At the end of the year an account sales was received from Kamlesh in which following details were shown:
- i) 750 chairs sold by Kamlesh for Rs. 2,40,000
 - ii) Expenses incurred by Kamlesh were;
- Dock Charges Rs. 350, Carriage Rs. 550 and Selling Exp. Rs. 800
- Compute value of Consignment Stock.
- b) Renu Garments sent 300 Readymade shirts on consignment to Pooja agencies. Renu garments spent Rs. 1200 on packing and insurance. The cost of each shirt was Rs. 200 but it was invoiced at 20% above cost. 8
- 30 shirts were lost in transit and insurance company admitted a Claim for Rs. 3,000 only. Pooja agencies paid freight Rs. 1,400, carriage Rs. 400, octroi Rs. 200, godown rent Rs. 240. Pooja agencies sold 220 shirts for Rs. 360 each on credit. Pooja agencies entitled to a commission at 5% on invoice price and 20% on any excess realized on the invoice price and 2% of del – credere commission.
- Pooja agencies accepts a bill drawn by Renu garments for Rs. 38,000 and remitted the balance by draft alongwith an account sales.
- Compute abnormal loss and Profit or Loss transfer to Profit & Loss Account.

OR

- c) On 10th June 2020 Aman & Co. consigned 5,000 tape cassettes costing Rs. 20 each to Suman & Co. the consignee. The proforma invoice is prepared to show a profit on sales price @ 20%, the consignee is not allowed to sell cassettes below the invoice price. **16**
The consignor paid freight and insurance Rs. 2,500
On 28th June 2020 the consignee on receiving the goods paid for outward carriage Rs. 550. He also accepted the bill drawn by the consignor Rs. 50,000 for the 3 months period.
On checking the goods received he found that 100 cassettes were damaged and not fit for sale. This fact was reported to the consignor. The consignor claimed for damages and the insurance Co. settled the claims for Rs. 1,500.
On 30th July 2020 the consignee reported the consignor as below:
i) $\frac{1}{2}$ of the goods recovered were sold at Rs. 30 per unit.
ii) $\frac{1}{4}$ of the goods received were sold at invoice price.
iii) The balance in stock.
Prepare Consignment Account and Consignee Account in the books of Consignor.

5. Write Short note.

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|-------------------------------------|----------|
| a) Importance of book keeping. | 4 |
| b) Classification of share capital. | 4 |
| c) Outstanding or Receivable fees. | 4 |
| d) Non – Recurring Expenses. | 4 |
