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Register Number:

DATE:

**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BANGALORE-27**

**BBA – I SEMESTER**

SEMESTER EXAMINATION: OCTOBER 2021

(Examination conducted in January-March 2022)

**BA 1121: Financial Accounting**

Time- 3hrs Max Marks-100

**This paper contains \_\_\_Four\_\_ printed pages and four parts**

**Section A**

**I.** Answer ***any five*** of the following (**2 x 5 = 10 marks)**

1. Define financial accounting.
2. What is cost of conversion?
3. What is single entry system?
4. What is current asset?
5. What is bills payable?
6. What is double-entry system?
7. What is meant by PPE?

**Section B**

**II.** Answer ***any six*** of the following (**5 x 6 = 30 marks)**

1. Enter the following transaction in sales book and sales returns book for the month of January 2020.

|  |  |
| --- | --- |
| 1 | Sold goods to Das on credit Rs.8000 |
| 3 | Sold goods to Ravi Kiran on credit Rs.4000 |
| 5 | Manish purchased from us Rs.3000 |
| 7 | Das returned goods to us Rs.1200 |
| 10 | Sold to Prabhu Rs.6000 |
| 12 | Acceptance of claims from Ravi kiran for over price Rs.500 |
| 19 | Received goods returned by prabhu and sent a credit note for the same Rs.300 |

1. Prepare bank reconciliation statement.  The cash book shows a bank balance of ₹ 7,800. On comparing the cash book with passbook, the following discrepancies were noted:

|  |
| --- |
| (a)Cheque deposited in bank but not credited ₹ 3,000 |
| (b)Cheque issued but not yet present for payment ₹ 1,500 |
| (c)Insurance premium paid by the bank ₹ 2,000 |
| (d)Bank interest credit by the bank ₹ 400 |
| (e)Bank charges ₹ 100 |
| (d)Directly deposited by a customer ₹ 4,000 |

1. Outline the objective and scope of IND AS 2.
2. Briefly explain the various types of error based on nature.
3. From the following information find out Purchases by preparing memorandum trading account

|  |  |
| --- | --- |
| Opening stock  | 25000 |
| Sales | 150000 |
| Closing stock | 30000 |
| Rate of gross profit | 33 1/3% on cost |

1. Enter the following transactions in a Single Column Cash Book.

|  |  |  |
| --- | --- | --- |
| 2020 |   | **(₹)** |
| May-01 | Commenced business with Cash | 25,000 |
| 3 | Bought goods for Cash | 10,000 |
| 3 | Paid Carriage | 200 |
| 4 | Sold goods for Cash | 6,000 |
| 10 | Received from Ram | 1,000 |
| 12 | Paid to Shiv Kumar | 2,600 |
| 15 | Cash Sales | 8,400 |
| 18 | Purchased furniture for cash | 5,000 |
| 20 | Paid for Advertisement | 500 |
| 20 | Purchased goods from Mahesh on credit | 6,000 |
| 24 | Paid to Mahesh | 4,000 |
| 25 | Paid Wages | 400 |
| 27 | Received for Commission | 1,500 |
| 28 | Withdrew for personal use | 2,200 |
| 31 | Paid salary | 700 |

1. Shah Garden Center is retail garden supplier. Post the following transactions to their ledger account for the month October, 2011.

October. 2:    Purchased inventory on credit Rs. 3,000. Freight charges on the purchase were Rs. 150.

October 9: Sold Garden supplies on credit Rs. 4,000.

October 10:   Paid the amount owed on account for the October 2nd inventory purchase.

October 15:   Received merchandise that was returned as defective, originally sold for Rs. 500 on October 9. The original cost of the supplies returned was Rs. 275.

October 25:  Received payment on account for the 9th October.

Prepare only Inventory account, Account payable, Account receivable, sales account and cash account.

**Section C**

**III.** Answer ***any three*** of the following (**15 x 3 = 45 marks)**

1. Explain the concepts and conventions of accounting.
2. Padmini is a dealer in stationery. She maintains three column cash book. Record the following transactions in her cash book (3 Column) for the month of April, 2018.

2018 April Rs.

1   Cash in hand: Rs. 1,00,000; Cash at bank: 1,00,000

3   Goods sold to Raji who made the payment through credit card 10,000

5   Goods purchased for Rs. 10,000 from Padma Traders. The payment   is made after getting a cash discount of Rs. 500 through net banking 9,500

6   Purchased furniture from ABC Co. and the payment is made by cheque 8,000

9   Purchased goods from TNPL for Rs. 2,10,000 and the payment is made through RTGS after availing a cash discount of Rs. 10,000.

21 Supplied stationery items to BHEL for Rs. 33,000 and received the payment through NEFT after allowing a cash discount of for Rs. 1,000

23 Supplied goods to Thangaraj who made the payment by cheque which is deposited in the bank 20,000

27 Thangaraju’s cheque is dishonoured

30 Bank charged for overdraft facility 200

30 Cash deposited into bank 10,000

1. a) Prestige group purchased an asset for Rs 10,00,000 and the following expenses were made:
2. Total Wages paid (20% included in asset) Rs 60,000
3. Site preparation cost Rs 1,00,000
4. Office expenses for installation of machine Rs 6,000
5. Administration expenses Rs 10,000
6. Interest paid on asset purchase Rs.10,000
7. Sample production cost Rs 8,000
8. Fee paid to professionals Rs.12,000. Calculate asset value to be recognized in the book as per Ind AS 16.

b) Compute cost of purchase, if 40% of Import duty will be refunded by the Tax authorities. Purchased 500 units.

Purchase price Rs. 100 per unit

Import Duty Rs.5000

Transportation Rs.1500

Handling charges Rs. 1500

Direct cost Rs. 20

1. From the following information ascertain "total sales" and "total purchases".

|  |  |  |
| --- | --- | --- |
| **Balances on** | **01-04-2019** | **31-03-2020** |
| Sundry debtors | 65000 | 72000 |
| Bills receivable | 37000 | 30000 |
| Sundry creditors | 48000 | 50000 |
| Bills payable | 24000 | 21000 |

|  |
| --- |
| **Transactions for the year 2019-20** |
| Cash sales | 38750 |
| Cash received from debtors | 162500 |
| Discount allowed to customers | 4500 |
| return inward | 12000 |
| return outward | 2500 |
| Cash received against B/R | 58000 |
| Cash paid against B/P | 40000 |
| Cash purchases | 250000 |
| Cash paid to creditors | 107500 |
| Bad debts written off | 5000 |

**Section D**

**III. Answer the following (15marks)**

1. Mr. Ramu has the following transactions in the month of July 2020. Record them into the journal.

|  |  |  |
| --- | --- | --- |
| July 1st | : | Ramu started business with a capital of 75,000 |
| 1st | : | Purchased goods from Manu on credit 25,000 |
| 2nd | : | Sold goods to Sonu 20,000 |
| 3rd | : | Purchased goods from Meenu 15,000 |
| 4th | : | Sold goods to Tanu for cash 16,000 |
| 5th | : | Goods retuned to Manu 2,000 |
| 6th | : | Bought furniture for 15,000 |
| 7th | : | Bought goods from Zenu 12,000 |
| 8th | : | Cash paid to Manu 10,000 |
| 9th | : | Sold goods to Jane 13,500 |
| 10th | : | Goods returned from Sonu 3,000 |
| 11th | : | Cash received from Jane 5,500 |
| 12th | : | Goods taken by Ramu for domestic use 3,000 |
| 13th | : | Returned Goods to Zenu 1,000 |
| 14th | : | Cash received from Sonu 12,000 |
| 27th | : | Cash paid for the purchase of bicycle for Ramu's son 1,500 |
|  |  |  |