

B.B.A.(with Credits)-Regular-Semester 2012 Sem I
0192 - Financial Accounting-I

P. Pages : 7

Time : Three Hours



GUG/W/16/2920

Max. Marks : 80

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

1. a) Difference between Book-Keeping & Accountancy. 8
b) Enter the following transactions in the Journal of Sumit Enterprises: 8

2010 January

Jan 1 commenced business with
Cash 10,000
Goods 15,000
Building 25,000 50,000

Jan, 5 paid expenses.
Salary 800
Wages 400
Rent 600 1800

Jan 8 Purchased goods from Mr. Pratap 2000.

Jan 10 Sold goods to Mr. Karan 5,000.

Jan 15 Received cheque from Mr. Karan allowing 5% cash discount in full settlement.

Jan 20 Paid cash to Mr. Pratap and availed 2% cash discount

Jan, 24 Purchased machinery by cheque Rs. 10,000 and installation charges of machinery paid in cash Rs 200.

Jan 26 Purchased goods of list price of Rs. 2,000 at trade discount of 10% and cash discount 2% and half the amount paid in cash.

Jan 30 Amount withdrawn by page cash Rs. 600 Cheque Rs. 700.

OR

- c) From the following transactions prepare necessary Ledger Accounts in the books of Mr. Dekate. 16

Date	Particulars	Amount
2010 April 1	Mr. Dekate. commenced business with cash	80,000
2	Deposited in Bank	75,000
5	Bought goods on credit from Vikram	8,000
8	Sold goods to Saket on Credit	10,000
10	Purchased machinery payment made by cheque	25,000
12	Paid Vikram by cheque	6,000

16	Received Cash from Saket	7,500
20	Bought stationery from Sainath for cash	300
24	Paid Rs. 500 as travelling expenses to Manish by cash	--
26	Goods sold to Vikram for cash	5,000
27	Bought goods for cash	3,000
30	Paid Rent. to landlord by cheque	400

Accounts are closed on 30th April 2007.

2. a) From the following balance of New India trading Co.Ltd prepare Trading & profit & loss Account for the year ended 31st March 2008. **8**

Opening Stock	60,000
Purchases	2,40,000
Sales	3,80,000
Purchases Returns	10,000
Sales Return	20,000
Interest on Investment	12,000
Salary	20,000
Audit Fees	10,000
Wages	50,000
Directors Fees	15,000
Printing & Stationery	12,000
Building	80,000
Bad debts	10,000
Plant & Machinery	2,00,000
Insurance	25,000
General Reserve	40,000
Freight	15,000

Additional Information

- 1) Closing Stock Rs. 1,20,000
- 2) Charge 10% Depreciation on Building
- 3) Transfer Rs. 20,000 to Reserve Fund

- b) Prepare Balance sheet of Laxmi Traders Ltd. using the following Balance drawn from their books on 31st March 2010. **8**

Goodwill	50,000
Building	72,000
Plant & Machinery	80,000
Issued and Paid up share capital	3,00,000
Calls - in - Arrears	20,000
Forfeited shares A/c	10,000
Closing Stock	1,20,000
General Reserve (31/3/2009)	1,50,000
General Reserve (Provision in 2009-10)	20,000
Furniture	40,000
Investment	60,000
Sundry Creditors	1,80,000

Bills Payable	20,000
Dividend Fund	7,000
Bills Receivable	50,000
Cash in hand and Bank	58,000
Prepaid Rent	2,000
Preliminary expenses	10,000
Outstanding Insurance	5,000
Education Fund	12,000
12% Debentures	8,000
Debtors	1,50,000

Additional Information

- 1) Contingent Liabilities Rs. 50,000
- 2) Authorised share capital Rs. 5,00,000.

OR

- c) Following balance were extracted from the books of Aditya Ltd. for the year ended 31st March 2010.

16

Particulars	Dr.	Cr.
Share Capital		1,00,000
Statutory Reserve		1,350
Plant	15,000	
Furniture	4,000	
Lorries	8,000	
Sundry Debtors	60,000	
Sundry Creditors		11,000
Share Forfeiture A/c		500
Selling exp.	10,000	
Rent and Taxes	8,000	
Administrative Expenses	11,000	
Legal expenses	1,000	
Advance payment of Income Tax	9,000	
Gross Profit		54,150
Payment under V.R.S.	2,000	
Profit & Loss A/c		1,500
Cash with H. O & Branches	2,500	
Bank balance	27,500	
Security Deposits	4,000	
Liabilities for expenses		3,500
Secured Loans		25,000
Closing Stock	35,000	
	-----	-----
	1,97,000	1,97,000
	-----	-----

The following particulars are available:

- i) Share capital companies of 5000 equity shares of Rs. 10 each fully called up and 500 8% preference shares of Rs. 100 each fully called up.

- ii) Statutory Reserve and Profit & Loss A/c balance are 31/3/2009.
- iii) Rs. 900 are to be transferred to Statutory Reserve.
- iv) Secured Loans are secured by hypothecation of stock.
- v) The Managing Directors is entitled to receive 5% of the net business profit, prior to changing of such commission as his commission.
- vi) Charge depreciation @ 15% on plant 10% on Furniture and 20% on Lorries.
- vii) Provide Rs. 7608 for Taxation.
- viii) Recommendation of payment of dividend on preference shares has been made.
You are require to prepare profit & loss A/c and Balance sheet.

3. a) Prepare Receipts and Expenditure Account of Mr. Mahendra who is an Architect from the following Receipts and payments Account by him for the year ended 31st March 2013

8

Receipts and Payments A/c			
Receipts	Rs	Payments	Rs
To cash at Bank (1/4/12)	7,800	By salary to Assistant	18,000
To cash in hand (1/4/12)	800	By car expenses	20,000
To supervision fees	86,000	By purchase of motorcycle for son	25,000
To sale of old furniture (cost Rs. 6000)	5,400	By Donation	500
		By Drawings	19,400
		By purchased Drawings Material	9,500
		To cash at Bank (31/3/13)	7,000
		To cash in hand (31/3/13)	600
	1,00,000		1,00,000

Other information

Car is used by him and his family for private use also which is about 50% of total utilization.

- b) Dr. Novil a medical practitioner has his medical consultancy chamber in a part of his residence.

8

The summary of his transactions during the year 31st March 2012 was as under.

	Rs
Fees for medical consultation	60,000
Fees for treatment and visits	1,10,000
Running and maintenance cost of car	26,000
Interest received on household investment	38,000
Electricity and Gas expenses	5,000
Salary to Nursing Sister	40,000
Salary to security guard	5,400
Fee food to security guard given from household	2,190
Household expenses (including food for security guard)	46,000
Provision for Depreciation	
i) Profession	3750
ii) Household	<u>26250</u>
	30,000

Additional Information

- i) Running & Maintenance of car salary to security guard and expenses on electricity & gas are to be allocated equally between profession and household.
- ii) The entire profit earned in the profession was down for household purpose.
- iii) National Rent of medical chamber Rs. 18,000 you are required to prepare.
 - a) Profit & Loss A/c (Profession)
 - b) Household Income & expenditure A/c for the year ending on 31st March 2012.

OR

- c) Dr. Gupta (a medical practitioner) retired from Health Department service Govt. of Maharashtra and set up private practice on 1/1/2012 with Rs. 40,000 from his personal savings and Rs. 60,000 borrowed at 12% p.a. interest from bank. His accounts for the year ended 31/12/2012 were kept on cash basis and the following is the abstract cash. Account for the year. **16**

Cash Account			
Receipts	Rs	Payments	Rs
Own Capital	40,000	Medicines Purchased	49,000
Loan	60,000	Surgical Instruments	50,000
Prescription Sales	1,05,000	Motor car	64,000
Gifts from patients	5,000	Salaries & Wages	21,000
Visiting Fees	50,000	Motor car expenses	24,000
Income from lectures on medical science	4,800	Rent	12,000
Pension from ex-service	12,000	General charges	11,200
Income from personal investments	27,000	Household expenses	36,000
Prize from Maharashtra State Lottery	48,000	Household furniture	5,000
		expenses on daughter's	
		Marriage	43,000
		Interest on Loan	7,200
		Balance at Bank	26,400
		Cash in hand	3,000
	3,51,800		3,51,800

Additional Information

- 1) One-third of the motor car expenses is to be treated as applicable to private use of the car.
- 2) Rs. 6,000 is included in salaries and wages although the amount has been paid to domestic servants.
- 3) Unused medicine on 31/12/2012 has been valued at Rs. 19,000.

Prepare:

- 1) Capital Account
- 2) Income & Expenditure Account of the profession for the year ended 31/12/2012 and Balance sheet as on that date.

4. a) Narendra & Co. of Nagpur consign goods costing Rs. 30,000 to their agent Varma of Chandrapur on which they pay freight insurance and carriage Rs. 2500 drawing a bill on him at 90 days for Rs. 20,000 They discount the bill at bank being charged Rs. 300 there for after two months they received from their agent an Account sales informing that the entire consignment has been sold for Rs. 60,000 that expenses accounting to Rs. 900 have been insured and showing as a deduction the agreed commission to 2% on the amount realised. A draft on the state Bank of India was enclosed for the balance due. 8

Prepare consignment A/c and Verma A/c in the books of Narendra & Company.

- b) Amruta products Chandrapur sent on consignment to Murari Brothers of Bhandara 200 tables costing Rs. 500 each The consignees were allowed a commission of 5% on sales. They accepted a bill of Rs. 30,000 at 3 months as an advance. The consigner discounted the bill immediately at 6% p.a. Amruta products paid Rs. 3,000 for freight and Rs. 2,000 for wages on sending the goods. Murari paid Rs. 4000 as expenses and took the delivery of the goods. Murari Brothers sent an Account sales stating that 140 tables were sold at Rs. 800 each and another Account sales sent after a month stated that the remaining tables were sold at Rs. 760 each. The consignee sent a bank draft for the balance after deducting their commission. 8

Prepare consignment A/c and Murari Brothers A/c in the books of Amruta Products.

OR

- c) M/s Jay Industries Ltd. Kolhapur consigned 200 units of a certain product x to M/s Shrikrupa Udyog, Nagpur at the rate of Rs. 1,000 each unit. 16

The invoice price is computed by adding 25% to cost M/s Jay Industries Ltd. paid Rs. 2,000 for insurance Rs. 3,000 for carriage and Rs. 4,000 towards other expenses M/s Shrikrupa Udyog accepted a bill for Rs. 1,00,000. The bill was discounted by the consignor for Rs. 98,500.

In due course of time M/s Shrikrupa Udyog sent an 'Account sales' comprising of

- 1) Credit sales of 120 units @ Rs. 1,500 each
- 2) Cash sales of 60 units @ Rs. 1,200 each
- 3) Expenses

Godown Rent	Rs. 3,000
Carriage	Rs. 2,000
Commission	Rs. 18,000
- 4) No of units kept for own use 5 @ Rs. 1250 each.
- 5) Cash collected from Debtors Rs. 1,50,000 after allowing discount Rs. 3,000 and writing off bad debts Rs. 3,000 (Discount is to be treated as consignment expenditure)
Balance was remitted by demand draft write consignment A/c and M/s Shrikrupa Udyog A/c in the books of M/s Jay Industries Ltd.
Closing stock valuation may exclude consignee's expenses

5. Write short note.
- | | |
|---|---|
| a) Meaning of Double Columnar cash Book with cash and Discount columns. | 4 |
| b) Difference between interim dividend and final dividend. | 4 |
| c) House hold Transactions of professional men. | 4 |
| d) Del-Credere Commission. | 4 |

munotes.in

munotes.in