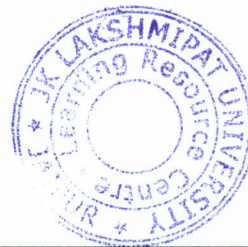




Institute of Management
JK Lakshmipat University
Jaipur

MID TERM- EXAMINATION Oct 2018



BBA& B.Com (H) Sem-I

MM: 40 Marks

Course: Financial Accounting

Time: 2 Hours

Subject code: AC04

SECTION-A

Answer any 3 Questions from below.

Q1. The following are the balances of various ledger accounts for the year ending 31 March, 2013. You are requested to prepare the trail balance for the same. (5marks).

Capital as on 1st Apr, 2013 Rs. 8950, Drawings Rs 1050, Stock 1st Apr, 2012 Rs. 3725, Purchases Rs. 23,100, Sales Rs. 39,425, Wages & Salaries Rs. 6205, Lighting and Heating Rs. 310, Equipment Rs. 3,600, Carriage Outwards Rs. 230, Return Outwards Rs. 105, Return Inwards Rs. 290, Provision for Bad debts Rs. 350, Discount Allowed Rs.285, Discount Received Rs. 315, Rent, rates and Insurance Rs. 1,115, Motor Vehicles Rs. 1475, Cash In hand Rs. 110, Sundry Creditors Rs. 4925, Rs.Sundry debtors Rs. 13,920 and Bank Overdraft Rs. 975.

Q2. Give the journal entries for the following transactions: (5marks).

- Purchased from Saraswat Pustak Bhandar 100 copies of "Mahabharat" by Raghunath @Rs.25 each less trade discount 10%.
- Incurred a loan of Rs. 50,000 from Bank of Baroda.
- Sold to Smt.Mahasweta Roy on Credit old furniture for Rs. 1,200.
- Settled the account of Gopinath who owes us Rs. 1,500 on receipt of Rs. 1,450.
- Cost of machinery Rs.50,000. Charged depreciation @10% p.a.

Q3. Discuss the following concepts of accounting (5marks).

- Going Concern Concept
- Matching Concept
- Cost Concept
- Materiality Concept

Q4. Distinguish between (5 Marks)

- Trial balance and Balance sheet
- Event and Transaction

SECTION-B

Both the Question in this group is compulsory of 12.5 Marks each.

Q5. Enter the following transactions in the cash book with cash, discount and bank columns.

2015

July 1 Balance of cash in hand ₹ 1400. Overdraft at bank ₹ 5000.

July 2 Invested further capital of ₹ 10,000 out of which ₹ 6000 deposited in the bank.

July 5 Sold goods for cash ₹ 3000.

July 6 collected from debtor of last year ₹ 8000; Discount allowed to them ₹ 200.

July 10 purchased goods for cash ₹ 5500.

July 11 Paid Ram Vilas, our creditor ₹ 2500 ; discount allowed ₹65.

July 13 Commission paid to our agent ₹530.

July 14 office furniture purchased from keshav ₹200.

July 14 Rent paid ₹ 50.

July 14 Electricity charges paid ₹10.

July 16 Drew cheque for personal use ₹700.

July 17 Cash Sales ₹ 2500.

July 18 Collection from Atal ₹ 4000 ; deposited in the bank next day.

July 19 Drew from bank for office use ₹500.

July 22 Drew cheque for petty cash ₹150.

July 24 Dividend received by cheque ₹50 ; deposited in the bank on 28th.

July 25 Commission received by cheque ₹ 230 ; deposited in the bank on 28th.

July 29 Drew from the bank for salary of the office staff ₹1500.

July 29 paid salary of the manager by cheque ₹500.

July 30 Deposited Cash in the bank ₹10,000.

Q6. The following balances are taken from the books of Shri. Keshav Tiwari.

Particulars	₹	Particular	₹
Capital	1,20,000	Drawings	21,000
Stock(1.1.2017)	45,000	Plant & Machinery	24,000
Furniture	1,500	Purchases	2,95,000
Sales	4,35,000	Insurance	1,500
Purchase returns	4,000	Sales Returns	7,000
Rent	5,000	Trade Expenses	2,000
Salaries	24,000	Wages	40,000
Bad Debts	1,000	Investment (1.4.2017 Int. 6%)	50,000
Sundry Debtors	40,000	Sundry Creditors	19,000
Commission Received	800	Cash	12,200
Freehold Premises	6,000	Misc. Receipts	1,200
Patents	4,800		

After making the following adjustments prepare a trading and profit and loss account for the year ended 31st December, 2017 and a Balance sheet as on that date.

a. Stock on 31st December, 2013 was ₹ 75,000.

- b. Depreciate Machinery by 10% and furniture by 20%.
- c. Wages ₹ 5000 and Salaries ₹ 1200 are outstanding.
- d. Write off ₹ 500 as bad debts and create a reserve on bad and doubtful debts at 5% and reserve for discount on debtors at 2%.
- e. Investment is made on 1.4.2017 and no interest has been so received so far.