

**B.B.A. LL.B. (5 Year Degree Course) SEM-IV (2015 Course) :  
SUMMER - 2019**

**SUBJECT : FINANCIAL & MANAGEMENT ACCOUNTING**

Day : Thursday  
Date : 02/05/2019

**S-2019-1536**

Time : 02.00 PM TO 05.00 PM  
Max. Marks :60

**N.B.:**

- 1) All questions are **COMPULSORY**.
- 2) **Q. 1 & Q. 5** carries **15** marks each and remaining questions carry **10** marks.
- 3) Use of simple **CALCULATOR** is allowed.

**Q.1 A) Give one word for the following: (05)**

- i) A continuous, gradual, and permanent reduction in the value of fixed asset.
- ii) Expenses due but not paid.
- iii) The entries passed for withdrawal of cash from bank for office use and cash paid into bank.
- iv) The statement which shows the financial position of an enterprise at a particular point of time.
- v) A statement showing the causes of disagreement between the balances of cashbook and passbook.

**B) Fill in the blanks: (05)**

- i) A trader who cannot repay his debt is called an \_\_\_\_\_.
- ii) Cost concept of accounting is very closely related to \_\_\_\_\_ concept.
- iii) When damaged goods are received back from customer a \_\_\_\_\_ note is issued in his favor.
- iv) Cash book is both \_\_\_\_\_ and \_\_\_\_\_.
- v) \_\_\_\_\_ ensures arithmetical accuracy.

**Q.1 C) Define Accountancy. State advantages of double entry book keeping. (05)**

**OR**

**Q.1 Explain different Accounting Concepts in detail. (15)**

**Q.2 Journalize the following transactions in the books of Mr Lokesh for the month of January 2017. (10)**

1. Lokesh won lottery prize for Rs. 25000/- and invested for the same.
4. Bought machinery of 10000/- and paid installation charges Rs. 500/-
7. Purchased goods of Rs. 15000/- @ 2% trade discount from Mr. Sham
8. Placed an order to Mr. Ajay for Rs. 12000/-
15. Sold goods worth Rs. 20000/- @ 3% Trade discount to Mr. Raj of which is Rs. 5000/- received in cash with cash discount of 5%.
20. Received commission Rs. 1000/-
21. Mr. Ajay executed the order placed on 8<sup>th</sup> January.
24. Paid electricity charges Rs. 1000/-
25. Invested in shares of Sony Co. Ltd. 10 shares of Rs. 1000/- @ Rs. 900/- each.
30. Withdraw for personal use Rs. 1000/-

**OR**

**P.T.O.**

- Q.2** Prepare two column cash book for the month of February 2017 for the following transaction of Mr. Sam. (10)
1. Balance of cash Rs. 5000/- and bank Rs. 15000/-
  2. Cash purchases of Rs. 1000/-
  5. Mr. B settled his account for Rs. 10000/- enjoying 5% cash discount.
  10. Withdraw for office use Rs. 2000/-
  15. Bank collected an Overseas cheque of Rs. 10000/- issued by Mr. Raj.
  18. Cash paid for electricity charges Rs. 1500/-
  20. Cash sales of Rs. 50000/-
  23. Received a cross cheque of Rs. 10000/-
  28. Deposit excess of cash over Rs. 5000/- in bank.

- Q.3** Preeti purchased a machine on 1<sup>st</sup> July, 2010 for Rs. 30,000/-. On 1<sup>st</sup> August, 2011 another machine was purchased for Rs. 15,000/-. On 1<sup>st</sup> September, 2012 machine purchased, on 1<sup>st</sup> July, 2010 was sold for Rs. 26,000/-. On 1<sup>st</sup> January, 2013 machine was purchased. On 1<sup>st</sup> August 2011 was sold for Rs. 5,000/- Depreciation has been charged by using reducing balance method @ 10% per annum. She was closing her accounts on 30<sup>th</sup> June every year. Prepare machinery account, depreciation account for the years 2010-2011, 2011-2012, 2012-2013. (10)

**OR**

- Q.3** On 30<sup>th</sup> Sept, 2016 the bank pass book of Mr. Ashok showed a balance of Rs. 7575/- on his credit. On comparing the same with his cash book the following facts were disclosed:- (10)
1. Cheques of Rs. 960/- and Rs. 850/- were deposited into bank on 26<sup>th</sup> Sept, 2016 of which the cheque of Rs. 960/- was credited in the pass book. On 3<sup>rd</sup> Oct., 2016 and the cheque of Rs. 850/- was not credited at all.
  2. Cheque for Rs. 1250/- were issued by Ashok on 27<sup>th</sup> Sept., 2016 of which cheque of Rs. 700/- were presented for payment on 30<sup>th</sup> Sept., 2016.
  3. A Cheque of Rs. 200/- received and deposited into bank on 26<sup>th</sup> Sept. 2016 was credited in the pass book but was omitted in cash book.
  4. Bank paid Rs. 100/- on 29<sup>th</sup> Sept, 2016 towards insurance premium which appeared only in pass book.
- You are required to prepare bank reconciliation statement to ascertain the balance of cash book as on 30<sup>th</sup> Sept, 2016.

- Q.4** From the following ledger account balances of a household as on 31<sup>st</sup> March 2017 prepare a trial balance. (10)

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
Cash in hand	100	Income from house property	2500
Expenses for food grain	975	Income from agriculture	1500
Newspapers subscriptions	25	Dinner table	1325
Expenses on vegetable	275	Cup board	1800
Travelling expenses	250	Expenses on pulses	100
Tiffin expenses	475	Expenses for oil	100
Income from salary	2000	Expenses for spices	100
Expense of fish, egg	475		

**OR**

- Q.4** From the following profit and loss account and Balance Sheet of Vijay Corp. Ltd. of Pune for the year ended 31/3/11 (10)

Profit & Loss A/c For year ended 31/3/11			
Dr.			Cr.
Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To opening stock	99500	By sales	
		Cash      475000	950000
To purchases	545000		
To Carriage inward	15500	Credit      475000	
To Gross profit C/D	440000	By closing stock	150000
	<b>1100000</b>		<b>1100000</b>
To operating expense	200000	By Gross profit B/D	440000
To non operating expense	40000	By non operating income	60000
To net profit C/D	260000		
	<b>500000</b>		<b>500000</b>

**Balance sheet as on 31/3/2011**

Liabilities	Amount (Rs.)	Asset	Amount (Rs.)
Capital (20,000 equity shares of Rs. 10 each)	200000	Land & building	350000
Reserves	200000	Plant & machinery	180000
Profit & loss A/c	260000	Stock in trade	150000
Other current liabilities	90000	Debtors	45000
Bills payable	40000	Cash in hand	60000
		Bills Receivable	5000
	<b>790000</b>		<b>790000</b>

Derive:

- |                           |                      |
|---------------------------|----------------------|
| i) Gross profit ratio     | ii) Net profit ratio |
| iii) Debt to equity ratio | iv) Return on asset  |
| v) Current ratio          |                      |

**Q.5** You are given following information from the books of Siraj Co. Ltd. As on 31/3/15 (15)

**Siraj Co. Ltd.**

**Trial Balance As on 31/3/15**

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
Depreciation on premises	8000	Sales	1240000
Material consumed	300000	Equity share capital	800000
Opening stock	40000	Outstanding wages	6000
Salaries	114000		
Bad debts	3800		
Bonus to employees	20000		
Interest on loan	16000		
Depreciation on machinery	18000		
Conveyance	4000		
Loss on sale of machinery	20000		
Insurance	16200		
Sales return	40000		
Provision for tax	60000		
Machinery	600000		
P.F. contribution	86000		
Premises	160000		
Computer	40000		
	<b>2046000</b>		<b>2046000</b>

Additional information:

Closing stock was valued at Rs. 20000/-

Prepare Profit and loss A/c as per schedule III of Companies Act, 2013.

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