

B.B.A. LL.B. (5 Year Degree Course) SEM-IV (2015 Course) :
WINTER - 2018

SUBJECT: FINANCIAL & MANAGEMENT ACCOUNTING

Day : Friday
Date : 02/11/2018

Time : 02.30 PM TO 05.30 PM
Max. Marks: 60

W-2018-1327

N.B.:

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

- Q.1 A)** State with reason whether the following statement are True or False. **(05)**
- i) Net Profit increases Owner's Capital.
 - ii) A creditor is a person from whom amount is due.
 - iii) Generally closing stock is valued at cost or market price, whichever is higher.
 - iv) Cash Discount is given on credit sales as well as cash sales.
 - v) Bank Account may show either debit balance or credit balance.
- B)** Fill in the Blanks: **(05)**
- i) Accounting _____ are the basic assumptions or conditions upon which accounting is based.
 - ii) Debit the receiver & credit the giver is the rule of _____ Account.
 - iii) Journal is a book of _____ entry.
 - iv) If the catalogue price of goods purchased is Rs. 7,500 with a cash discount of 6% & a trade discount of 4% , the net amount payable would be Rs _____
 - v) Depreciation on asset is debited to _____ Account.
- C)** Explain the types of Bank Instruments **(05)**

OR

- Q.1** State & Explain the advantages & limitations of Computerization of Accounting. **(15)**
- Q.2** Journalize the following transaction for the month of November 2015. **(10)**
1. Cash Rs. 10,000/-, Bank Balance Rs. 28,000/-, Stock Rs. 15,600/- , Debtors Rs, 54,000/-, Machinery Rs 82,000/-, Creditors Rs 60,000, Capital Rs 2,00,000/-.
 5. Purchased goods from Amit for Rs. 20,000/- @ trade discount of 10%.
 7. Sold 50% of the above goods to Sachin at a profit of 33 1/3% on cost & received the amount due by cheque.
 12. Introduced additional capital of Rs.25, 000 in cash.
 20. Goods costing Rs 3,000/- (Selling price Rs 4000) used for domestic purchases.
 25. Bank charged interest of Rs. 125/-.
 29. Salary of Rs 5,000/- is due to Mr. Rajiv but has not yet been paid.

OR

P.T.O.

- Q.2** Prepare a Cash Book in the books of Bholanath & Co. for the month of January 2015. (10)
1. Bank Balance Rs 56,000/- Cash Balance Rs 48,000/-.
 3. Machinery purchased from Joy & Co. Rs. 15,200/-.
 5. Sold goods costing Rs. 15, 000 at a profit of 12.5% on cost & received the amount by cheque from Mr. Ram.
 7. Cheque received from Mr. Ram was endorsed to Mr. Kapil against the Payment due to him.
 12. Sold goods to Mr Shyam on credit Rs. 10,000/-.
 20. Dividend collected by the Bank as per standing instructions Rs. 50,000/-.
 23. Shyam become insolvent & paid 60 paise in a rupee.
 25. Paid for life insurance premium of Mrs. Nath Rs. 3,000.
 31. Remaining balance was transferred to Bank A/C.

- Q.3** From the following transaction prepare necessary ledger accounts in the books of Mr. Kulkarni & balance the same for month of July 2016. (10)
1. Started Business with cash Rs. 80,000/-.
 4. Purchased goods on credit from Mr. Deshmukh of Rs. 30,000/- @ 5% trade Discount.
 8. Cash Sales of Rs. 20,000/- made @ 5% C.D.
 11. Rent of Rs. 5,000/- was paid.
 20. Mr.Joshi purchased goods Rs. 20,000/- on account by cash.
 23. Received commission of Rs 10,000/- in cash.
 31. Received the amount due from Mr.Joshi in cash.

OR

- Q.3** On 1/4/2015 Mahindra & company purchased two computers of Rs 60,000/- each. The fixation charges were Rs 5,000/-. The firm depreciate the computers @ 15% per annum on fixed installment basis. On 1/10/2016 computer was for Rs 40,000/- & new computer was purchased on the same date for Rs 50,000/-. The firm closes its books on 31 March every year. Show the Computer A/C & Depreciation A/C. (10)

- Q.4** Passbook showed the balance of Rs. 35000/- as on 30th November 2015. The following points were noted. (10)
1. Bank collected dividend on shares Rs. 400/- but not entered in Cashbook.
 2. Cheque dishonored Rs. 750/- debited by Bank but no intimation received from Bank.
 3. Cheque of Rs 1,250/- was issued but has not yet been presented to the Bank for payment.
 4. Cheque issued to Rahul Rs.5000/- entered only in cash book.
- Prepare a Bank reconciliation statement as on 30th November 2015.

OR

- Q.4** From the following Balance sheet and additional information of XYZ ltd. Calculate the following Ratios. (10)
1. Current Ratio
 2. Liquid Ratio
 3. Debt to Equity Ratio.
 4. Gross Profit Margin.
 5. Net Profit Margin.

Balance Sheet as on 31st March 2016

Liabilities	Amt (₹)	Assets	Amt (₹)
Equity Capital	10,00,000	Goodwill	5,00,000
6% Preference share Capital	5,00,000	Plant & Machinery	6,00,000
General Reserve	1,00,000	Land & Building	7,00,000
Profit & loss A/C	4,00,000	Furniture	1,00,000
Provision For Taxation	1,76,000	Inventories	6,00,000
Bills payable	1,24,000	Bills Receivable	30,000
Bank overdraft	20,000	Debtors	1,50,000
Creditors	80,000	Bank	2,00,000
12% Debentures	5,00,000	Investments (short term)	20,000
	29,00,000		29,00,000

Additional information:

1. The Profit & loss A/C mentioned in the Balance Sheet is Net Profit for current year.
2. Gross Profit is Rs. 10,00,000/-.
3. Sales is Rs. 35,00,000/-.

Q.5 From the following Ledger Balances of Regal Ltd. As on 31/3/2015 prepare the (15) Balance Sheet as per Revised Schedule III of Indian Companies Act.

Particulars	Debit (₹)	Particulars	Credit (₹)
Office Equipment	4,80,600	General Reserve	4,15,000
9% Debentures in APCO Ltd.	2,45,000	Creditors	1,68,500
Furniture	1,63,000	Bills Payable	36,000
Plant & machinery	18,00,000	Term loan(short term)	75,000
Computer Software	83,250	Bank loan(long term)	3,10,000
Debtors	1,90,000	8% Debentures	5,50,000
Patents	30,000	Equity Share capital	15,00,000
Inventories	1,00,200	Provision For Gratuity	85,000
Prepaid Expenses	51,000	Provision for Taxation	26,550
Cash on Bank	23,000		
	3166050		3166050

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