

B.B.A. LL.B. (FIVE YEAR DEGREE COURSE) (CBCS - 2015 COURSE)

B.B.A. LL. B. Sem - IV : WINTER- 2022

SUBJECT : FINANCIAL & MANAGEMENT ACCOUNTING

Day : Wednesday

Time : 10:00 AM-12:30 PM

Date : 7/12/2022

W-12540-2022

Max. Marks : 60

N. B. :

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of **SIMPLE** calculator only is allowed.

Q.1 A) Fill in the blanks. (05)

- i) When credit side total exceeds debit side it is called as a _____ balance.
- ii) Total of debit balances must be _____ to the total of credit balances.
- iii) Outstanding income is _____ where as prereceived income is _____.
- iv) The physical wear and tear in an asset is called _____.
- v) Narration is the simple _____ of any journal entry.

B) Give one word. (05)

- i) Assets which has no physical existence.
- ii) Value of reputation and credit worthiness of business.
- iii) A continuous, gradual and permanent reduction in the value of fixed asset.
- iv) Document used for depositing cheque into bank.
- v) Account prepared to ascertain gross result of a business.

C) Give difference between manual accounting and computerized accounting. (05)

OR

Q.1 Define Accountancy. State and explain objectives and uses of accountancy. (15)

Q.2 Prepare subsidiary books and cash book in the books of Mahesh for the month of March, 2016

March, 2016	Particulars
1	Opening balance of cash in hand ₹ 10000
2	Mahesh brought into business additional cash of ₹ 3000, Building of ₹ 25000 and furniture of ₹ 5000 as capital.
4	Purchased goods from Ramesh ₹ 8000 @ Trade discount of 10%. Inward invoice No. 28.
5	Returned goods to Ramesh ₹ 1500 gross (invoice notice) as they were not of the required quality Debit note No. 2
7	Sold goods to Dinesh ₹12000 @ trade discount of 7 % outward invoice No. 27
10	Dinesh returned goods of ₹ 1000 gross as they were damaged in Transit credit note No. 1
12	Sold goods to Suresh ₹ 7000 outward invoice no. 28
18	Sold furniture at no profit no loss price ₹ 720
20	Suresh returned goods ₹ 800 sent a credit note no. 2
22	Mahesh withdraw for his personal use cash ₹ 2000 and goods ₹ 1500
25	Distributed goods as free sample ₹ 1000
30	Cash purchases from Sham ₹ 2000

P. T. O.

OR

- Q. 2** Journalize the following transactions in the books of Shri Vardhan for the month of January, 18 (10)

1	Started business with cash ₹ 95000, furniture ₹ 5000, machinery ₹ 80000 of cash ₹ 8000 was borrowed from Sumit
2	Purchased machinery from Kent & Co. for ₹ 80000 it paid for freight ₹ 800 and for installation ₹ 1000
3	Paid wages ₹ 2000
4	Received on order from M/s Pushpalata for goods ₹ 8000
5	Cash of ₹ 200 was stolen by cashier.
6	Purchased 20 shares of ₹ 100 each @ ₹ 90 by paying 2% brokerage.
7	Executed Pushpalata's order and paid transport charges on her account ₹ 100
8	Goods worth ₹ 100 distributed as free sample.
9	Paid income tax ₹ 1500

- Q. 3** A firm purchased a machinery for ₹ 80000/- on 1st July, 2015 and decided to depreciate it @ 10 % annually at fixed installment method on 1st October, 2017 a part of machinery valued in the books of the firm of ₹ 16000 on 1st July, 2015 was sold for ₹ 1000. Show Machinery Account, Depreciation Account and detailed working note for 3 years. Year ending on 31st March. (10)

OR

- Q. 3** Prepare a trial balance in the books of Mr. Padmakar as on 31-3-2017 (10)

Capital ₹ 800000, Furniture ₹ 140000, Land ₹ 103000, Plant ₹ 250000, Drawings ₹ 50000, Patents ₹ 200000, Stock ₹ 200000, Purchases ₹ 850000, wages ₹ 150000, Salaries ₹ 68168, Sundry Debtors ₹ 200000, Sales ₹ 1320000, Sales return ₹ 31000, Purchase Return ₹ 20000, Loan from Nandlal ₹ 100000, Postage ₹ 111, Rent ₹ 48444, Bad debts ₹ 4000, Sundry Creditors ₹ 124500, Discount received ₹ 6000, Trade expenses ₹ 7000, Interest on loan ₹ 6000, Insurance ₹ 8500, Travelling expenses ₹ 3300, Cash in hand ₹ 1032, Cash at Bank ₹ 49945.

- Q. 4** From the following prepare a Bank Reconciliation statement as on 28th February, 2019 (10)

1	Bank balance as per cash book ₹ 20000.
2	Cheques sent to bank for collection of ₹ 100000 but only Cheques of ₹ 40000 were collected till date.
3	Cheques issued for ₹ 50000/- in the month of February but Cheques of ₹ 25000 presented for payment.
4	Bank showed following entries in pass book but not recorded in cash book.
	a) ₹ 3200 paid for rent
	b) Interest on fixed deposit collected by bank ₹ 6000
	c) Bank charged ₹ 4500 and ₹ 200 for dishonor of cheque.

OR

Q. 4 From the following annual accounts of ABC Ltd. For the year ended on 31st March, 2012 and 2013. You are requested to calculate following ratio: **(10)**

- i) Gross Profit Ratio
- ii) Net Profit Ratio
- iii) Current Ratio
- iv) Quick Ratio
- v) Debt to equity Ratio

Particulars	30-3-2012	30-3-2013
	Amount ₹	Amount ₹
Sales	1200000	1496000
Cost of Sales	944000	1192000
Gross Profit	<u>256000</u>	<u>304000</u>
<u>Expenses</u>		
Warehousing and transport	76000	96000
Administration	76000	76000
Selling	44000	56000
Debentures interest	-	8000
Net profits	60000	68000
Fixed assets less depreciation	120000	160000
Stock	240000	376000
Debtors	200000	328000
Cash	40000	28000
Total	<u>600000</u>	<u>892000</u>
Share capital	300000	300000
Reserves	60000	120000
Profit and loss a/c	40000	48000
Debentures	-	120000
Current liabilities	<u>200000</u>	<u>304000</u>
Total	600000	892000

Q. 5

The trial balance of Mr. Eknath as on 31/3/2018 was as follows:

(15)

Trial Balance as on 31 / 3/ 2018

Particulars	Debit ₹	Credit ₹
Capital		250000
Drawings	7500	
Investment	100000	
Motor Vehicles	80000	
Office furniture	20000	
Office equipment	60000	
Cash in hand	5500	
Purchases	475000	
Sales		755000
Returns	15000	10000
Carriage	3500	
Opening stock	140000	
Rent	30000	
Debtors	176000	
Salaries	25000	
Trade expenses	3000	
General expenses	6000	
Bad debts	2500	
Reserve for bad debts		7500
Discount	1000	500
Creditors		126000
Prepaid insurance	1000	
Outstanding salaries		2000
Total	1151000	1151000

Adjustments:

- i) Closing stock was valued @ ₹ 80000
- ii) Depreciation on motor vehicle, furniture @ 5 % p. a. and office equipment @ 10% p. a. was to be provided.
- iii) Create 5% for Reserve for Doubtful debts on debtors.
- iv) Goods costing ₹ 1000 was taken for personal use it was included in debtors.
- v) Goods worth ₹ 10000 were destroyed by fire and insurance co. admitted the claim for ₹ 8000.

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