CHRIST UNIVERSITY, BENGALURU - 560029

End Semester Examination October - 2017 Bachelor of Computer Applications III SEMESTER

Code: BCA332 Max.Marks: 100
Subject: FINANCIAL ACCOUNTING Duration: 3Hrs

SECTION A

Answer ALL the questions.

10X2=20

- 1 Distinguish between Financial accounting and Cost accounting.
- 2 Mention various methods of preparing trial balance.
- 3 Mention any 2 objectives of preparing ledger.
- 4 What are the objectives of preparing cash book?
- 5 List the various subsidiary books.
- **6** What do you mean by Balance sheet?
- What do you mean by Profit and Loss Account?
- **8** State any two advantages of Accounting.
- 9 What do you mean by straight line method of depreciation?
- 10 What are the causes for Depreciation?

SECTION E

Answer any FIVE questions

5X6=30

- Write a note on subsidiary books.
- 12 From the following information
 - a. prepare the account of Mr. Small as it would appear in the books of Mr. Big:

2012 March, 1	Debit Balance brought forward Rs. 3000		
7	Mr. Small made credit purchase from Mr. Big Rs. 1500		
12	Mr. Small returned defective goods Rs. 150		
15/2	Mr. Small paid on account Rs. 3000		
VA V 258886	Mr. Small repaired the roof of Mr. Big's premises and agreed to adjust the value of this work in his account		

- 13 What is Bank Reconciliation Statement? What are its objectives?
- 14 Final Accounts On December 31, 2015 the following information was available from the books of Sri Mukul Rao.

Stock (01-01-2015)	1,20,000
Purchase made during the year	2,50,000
Sales	3,00,000
Carriage inwards	10,000
Return inwards	20,000
Return outwards	30,000
Wages	8,000
Import duty	12,000
Motive power	3,000
Stock (31-12-2015)	1,70,000

Prepare the Trading account for the year 2015.

- 15 Explain the following statements:
 - a. "Balance sheet is not an asset, it is only the list of balances".
 - b. "Balance sheet and profit and loss account are inter-dependent".
- 16 From the following transactions write an analytical petty cash book under imprest system:
 - 2016 July 1 Balance in hand with petty cashier Rs. 70

- 1 Received from cashier Rs. 430
- 4 Paid for Carriage Rs. 50
- 8 Paid auto charges Rs. 50
- 10 Sent a telegram Rs. 35
- 13 Purchase of stationery Rs. 25
- 18 Paid for wages Rs. 40
- 19 Paid for office cleaning Rs. 45
- 23 Purchase of postage stamps Rs. 25
- 28 Payments made for journals and magazines Rs. 85
- 29 Paid the amount due to Srinivas Rs. 75
- 17 From the following transactions Prepare the necessary subsidiary books:

July 01	Bought 5 dozen of Accountancy books from Archana stores at Rs. 120 per book		
	Sold 60 Management books to Chetan stores at Rs. 140 per book		
05	Purchased 50 Economic books at Rs. 170 per book from Amar book stores less 10%		
08	Bought machinery worth Rs. 4,000 from Ganesh Ltd.		
10	Returned 5 Accountancy books to Archana stores		
12	Sold 10 dozen note books to Triveni stores at Rs. 20 per book		
15	Chetan stores returned 4 management books		
17	Bought goods worth Rs. 1,800 from Anil stores		
21	Returned 8 economics books to Amar book stores		
23	Sold goods worth Rs. 4,000 to Balaji stores for cash		
25	120 English books sold to Suresh stores at Rs. 200 per book		
27	Goods worth Rs. 400 sent back to Anil stores		
30	Sent credit note to Suresh stores for Rs. 500		

SECTION C

Answer any FIVE questions

5X10=50

- 18 One of your friends has started a new business; he is consulting you to know about the need for maintaining the accounting record. Explain him the need and importance through advantages of accounting.
- 19 Show the necessary journal entries in the books of Mohan and prepare Ledger accounts i.e. cash a/c and personal a/c (Rohan and Madan) a. Mohan commenced business with cash Rs. 70000 Rs. 1700 b. Withdrew for private use c. Purchased goods on credit from Rohan Rs. 14000 d. Purchased goods for cash Rs. 10000 e. Paid wages Rs. 300 f. Paid creditors Rs. 10000 g. Sold goods on credit to Madan Rs. 15000 h. Sold goods for cash Rs. 4000 i. Purchased furniture for cash Rs. 500
- 20 From the following transactions prepare personal accounts and cash account in the ledger for April 2016
 - April 1 Govind started business with cash Rs. 2,000; goods Rs. 3,000 and furniture Rs. 4,000
 - April 5 Sold Goods to Raghu Rs. 600 and for cash Rs. 400
 - April 9 Received from Raghu on account Rs. 400

- April 12 Bought goods from Mohan Rs. 1000
- April 15 Paid Mohan Rs. 500
- April 20 Paid interest to Mohan Rs 25
- April 21 Cash withdrawn by Govind for personal use Rs. 200
- 21 Enter the following transactions in the Cash Book with Cash, Discount and Bank columns.

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2016, April	Balance of cash in hand Rs. 400, overdraft at Bank Rs. 5,000.		
4	Invested further capital Rs. 10,000 out of which Rs. 6,000 deposited in bank.		
5	Sold goods for cash Rs. 8,000.		
6	Collected from Sridhar a debtor of last year Rs. 8,000, discount allowed Rs. 200		
7	Paid Ramvilas, our creditor, Rs. 2,500, discount allowed by him Rs. 65.		
13	Commission paid to Robert our agent Rs. 530.		
14	Office furniture purchased from Keshar Rs. 200.		
17	Drew cheque for personal use Rs. 700.		
18	Collection from Atal Rs. 4,000; deposited in the bank on 19th.		
20	Drew from bank for office use Rs. 500.		
21	Drew cheque for petty cash Rs. 150.		
29	Drew from the bank and paid salary of office staff Rs. 1,500.		
30	Deposited cash in the bank Rs. 10,000.		

- What do you mean by adjustments? List any 5 objectives of doing adjustments while preparing final accounts? Mention 3 important adjustments.
- 23 From the following balances prepare final accounts of Rajeev on 31.12.2016 after considering the adjustments given below:

Particulars	Amount	Particulars	Amount
Capital	35,000	Taxes and Insurance	2,000
Drawings	6,000	General Expenses	4,000
Furniture	2,600	Salaries	12,000
Bank Loan	4,200	Commission (Dr)	1,600
Creditors	13,800	Carriage	2,000
Buildings	24,000	Discount (Dr)	2,000
Stock (1.1.2016)	20,000	Discount (Cr)	2,000
Debtors	15,000	Bad Debts	800
Rent received	1,000	Sales Returns	2,000
Purchases	1,12,000	Sales	1,50,000

Adjustments:1. Stock on hand on 31.12.2015 Rs. 20,000, 2. Write off depreciation: on buildings Rs. 1000 and on Furniture Rs. 600,

On 1st Jan 2010, Asha Ltd. purchased machinery for Rs. 12,00,000 and on 30th June 2011, one more machine worth Rs. 2,00,000 was bought. on 31st March 2012, one of the original machinery which had cost Rs. 50,000 was found to have become obsolete and was sold as scrap for Rs. 7,000. It was replaced on that day by a new machine costing Rs. 80,000. Depreciation is to be provided at 15% p.a. on Written down value method. Accounts are closed on 31st December every year. Show machinery Account for 3 years.