

S.No. 6375

22 BFACAM 1

(For candidates admitted from 2022-2023 onwards)

B.B.A. DEGREE EXAMINATION, NOVEMBER 2022.

Part III — Allied

INTRODUCTION TO ACCOUNTING

Time : Three hours

Maximum : 75 marks

SECTION A — (20 Marks)

Answer ALL questions.

- I. (A) Multiple choice questions: (5 × 1 = 5)
1. Nominal account relates to
 - (a) Personal a/c
 - (b) Impersonal a/c
 - (c) Assets a/c
 - (d) Capital a/c
 2. Trail Balance is a
 - (a) Statement
 - (b) An account
 - (c) A Book
 - (d) None of the above
 3. Outstanding salaries are shown as
 - (a) An expenses
 - (b) A liability
 - (c) An asset
 - (d) An income

4. Income and expenditure account shows a balance of

- (a) Cash in hand
- (b) Net profit
- (c) Capital account
- (d) Excess of revenue over expenditure

5. Credit sales is related to

- (a) Total creditors (b) Total debtor
- (c) Total Barrows (d) None of the above

(B) Fill in the blanks. (5 × 1 = 5)

6. Recording two aspect of each transaction is known as the _____.

7. Business property is called _____.

8. A Balance sheet shows the _____ of a business entity.

9. Subscription Received in advance is _____.

10. Credit sales are ascertained by preparing _____.

II. Answer the following questions. (5 × 2 = 10)

11. What is journal?

12. Define Trial Balance.

13. What is Balance sheet?

14. What is meant by depreciation?

15. What are features of incomplete Records?

SECTION B — (5 × 5 = 25)

Answer ALL questions, choosing either (a) or (b).

16. (a) What are the kinds of accounts?

Or

(b) Journalise the following transactions.

Rs.

- (i) Cash sales 5,000
- (ii) Purchased goods from Nagaraj 2,000
- (iii) Paid salary 700
- (iv) Amount deposited into Bank 1,000

17. (a) What are the objectives of preparing trial balance?

Or

(b) Rectify the following errors.

- (i) Paid Rs. 150 for the newly purchased table fan posted to purchases account.
- (ii) Sale of old furniture for Rs. 250 passed through the sales day Book.
- (iii) Cash received Rs. 1,200 from Durai was debited to the account of David.

18. (a) Gross profit and Net profit following the information ascertain.

	Rs.
Stock at opening	2,400
Purchase	15,205
Sales	20,860
Closing stock	3,840
Return in wards	860
Carriage in wards	524
Manufacturing wages	2,800
Manufacturing wages owing	96
Loss due to fire	1,000
Indirect expenses	200

Or

(b) From the following particulars prepare a Manufacturing account (31.12.20) following the particulars of manufactories.

	Rs.
Raw materials (1.1.2007)	6,000
Work in progress (1.1.2007)	1,200
Purchase of Raw materials	15,000
Carriage in wards	5,000
Direct wages	10,000
Indirect wages	5,000
Depreciation on factory plant	4,000
Depreciation of factory furniture	1,200
Factory power	3,000
Repairs to factory assets	500
Raw materials (31.12.20)	8,000
Work (31.12.20)	5,000

19. (a) What amount will be posted Income and expenditure account for stationary in the following

	Rs.
Stock of stationary of January 1, 2021	300
Creditors for stationary January 1, 2021	200
Advance paid for stationary December 31, 2020	20
Amount paid for stationary in 2021	1,080
Stock of stationary December 31, 2021	50
Creditors for stationary December 31, 2021	130
Advance paid for stationary December 31, 2021	30

Or

(b) On 1.1.21. a firm purchase machinery worth Rs. 4,00,000 on 1.1.21 it buys additional machinery worth Rs. 60,000 and spends. Rs. 5,000 on its erection the accounts are closed each year on 31st December. Assuming the annual depreciation to be 10% show the machinery account for 6 years under.

- (i) the straight line method
- (ii) written down value method

20. (a) How do you write an in complete record in accounting?

Or

(b) Calculate total purchase:

	Rs.
Opening balance of creditors	30,000
Closing balance of creditors	20,000
Cash paid to creditors during the year	1,51,000
Acceptances given to creditors	54,500
Returns out wards	6,000
Cash purchases	1,29,000

SECTION C — (3 × 10 = 30)

Answer any THREE questions.

21. Journalise the following transaction.

	Rs.
Started business with	50,000
Paid into bank	20,000
Bought furniture Rs. 5,000 and machinery	10,000
Purchased goods	14,000
Sold goods for	8,000
Purchased goods from malhotra and co.	11,000
Paid telephone rent by cheque	5,00

22. From the following balances prepare trial balance.

	Rs.
Cash	10,000
Bank	5,000
Capital	20,000
Debtors	7,500
Creditors	8,000
Buildings	7,000
Loan from A	6,000
Salary	4,000
Rent	1,500
Land	3,500
Bills Receivable	2,000
Bills Payable	4,000
Purchases	4,500
Sales	7,000

23. From the following Trial balance you are required to prepare final accounts.

Trial Balance (31.12.2020)

Particulars	Debit Rs.	Credit Rs.
Purchase and sales	13,500	26,000
Trade expenses	400	
Office expenses	450	
Salaries	3,500	
Electricity charges	550	
Carriage inwards	300	
Returns	600	500
Discounts	200	300
Interest Received		150
Bank charges	100	
Stock	6,000	
Cash in Hand	12,000	
Capital		10,650
	<u>37,600</u>	<u>37,600</u>

24. Calculate what amount will be posted to income and expenditure account for stationary in the following. Receipts and payments for year ending 31.3.2021. You are required to prepare income and expenditure account and the B/s relating to the year.

	Rs.		Rs.
Opening balance		Establishment (includes Rs. 400 for 2020-21)	6,000
Cash in Hand	250	Telephone charges	540
Balance in Bank	20,550	Electric charges	250
Subscription (including Rs. 750 for 2020-2021)	21,250	Stamps and stationary	600
Hall Rent	1,250	Travelling	150
Interest on securities	1,000	Meeting expenses	500
Donations Received	10,000	Rent	5,500
Telephone Receipts	50	Library	3,000
		Donation given	5,000
		Closing balances:	
		Cash in hand	310
		Balance at Bank	32,500
	<u>54,350</u>		<u>54,350</u>

25. From the following figures drawn from the Book of a trader who maintains his accounts as per the single entry system. You are required to calculate total sales.

	Rs.
Bills Receivable at the beginning of the year	7,800
Debtors in the beginning of the year	30,800
Bills Receivable encashed during the year	20,900
Cash Received from debtors	70,000
Bad debts written	2,800
Return inwards	8,700
Bills Receivable dishonoured	1,800
Bills Receivable at the end of the year	6,000
Debtors at the end of the year	25,500
Cash sales as per cash book	40,900
