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Register Number:

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**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BANGALORE-27**

**BBASF – I SEMESTER**

**SEMESTER EXAMINATION: OCTOBER 2021**

**(Examination Conducted January – March 2022)**

**BA SF 1121: Financial Accounting**

Time- 3hrs Max Marks-100

**This paper contains 4 printed pages and four parts**

**Section A**

**I.** Answer ***any five*** of the following (**2 x 5 = 10 marks)**

1. List four conventions of accounting.
2. Give the meaning of liabilities.
3. What is sales book and sales return book?
4. State any four objectives of converting single-entry system into double entry system.
5. Define PPE as per Ind As 16
6. What are fictitious assets?
7. List any two objectives of Ind AS 2.

**Section B**

**II.** Answer ***any six*** of the following (**5 x 6 = 30 marks)**

1. List any ten International financial Reporting standards.
2. Differentiate between single entry and double entry system.
3. From the following trial balance containing obvious errors prepare correct trial balance.

|  |  |  |
| --- | --- | --- |
| Trial Balance |  |  |
| Particulars | Debit | Credit |
| Cost of Goods sold | 300000 |  |
| Closing stock |  | 80000 |
| Debtors |  | 120000 |
| Creditors |  | 60000 |
| Fixed assets | 100000 |  |
| Opening Stock | 120000 |  |
| Expenses |  | 40000 |
| Sales |  | 400000 |
| Capital | 180000 |  |
| Total | 700000 | 700000 |

1. From the following transactions, prepare the Two Column Cash Book

|  |  |  |
| --- | --- | --- |
| Date | Particulars | Amount |
| 2020  1-Nov | Cash in hand | 40000 |
| 2-Nov | Received from Mr. X | 3000 |
| 2-Nov | Discount allowed to Mr. X | 200 |
| 4-Nov | Purchased good for cash | 8000 |
| 5-Nov | Paid to Ravi | 8250 |
| 5-Nov | Discount received from Ravi | 250 |
| 7-Nov | Interest received in cash | 150 |
| 8-Nov | Machine purchased | 10000 |
| 9-Nov | Salaries paid | 6000 |
| 10-Nov | Paid to Kamal | 950 |
| 10-Nov | Discount received from Kamal | 50 |
| 11-Nov | Paid rent | 6000 |

1. From the following particulars prepare a bank reconciliation statement showing the balance as per pass book as on 31st Dec 2021,

The bank balance as per cash book was Rs 64000

The following cheques were paid into the firms current account in Dec 2021 but were credited by the bank in Jan 2022, from

Mr. X Rs 4000

Mr. Y Rs 1000 and

Mr. Z Rs 3000

The following cheques issued by the firm in Dec 2021 but were cashed in Jan 2022, to

Mr. M Rs 5000 and

Mr. N Rs 3000.

1. Ascertain opening stock from the following information

Rs

Purchases made during the year 44000

Sales made during the year 66000

Closing stock 4000

Wages, freight 1000

Indirect expenses 1400

Rate of gross profit on cost 50%

Return outwards 4000

Return inwards 6000

1. Briefly explain revaluation model of Ind AS 16.

**Section C**

**III.** Answer ***any three*** of the following (**15 x 3 = 45 marks)**

1. Pass Journal entries in the books of Mr. Abhishek,

2020

|  |  |
| --- | --- |
| SL No | Particulars |
| 1 | 1st Jan, he started business with Rs 80000. |
| 2 | 3rd Jan, purchased an equipment from Mr X on credit Rs 16000. |
| 3 | 4th Jan, he borrowed Rs 10000 from ABC finance company |
| 4 | 5th Jan, purchased goods for cash Rs 16000. |
| 5 | 7th Jan, paid Rs 10000 to suppliers of equipment. |
| 6 | 10th Jan, paid telephone bill Rs 800 by cheque. |
| 7 | 14th Jan, paid salaries to clerk Rs 4000. |
| 8 | 17th Jan, sold goods to Varun Rs 8000. |
| 9 | 20th Jan, purchased motor van for cash Rs 100000 |
| 10 | 21st Jan, received from Varun Rs 7600 in full settlement. |
| 11 | 22nd Jan, paid stationery charges Rs 600 and business expenses Rs 600. |
| 12 | 23rd Jan, sold goods to Nath Rs 6000. |
| 13 | 24th Jan, received from Nath Rs 5900 and allowed discount Rs 100. |
| 14 | 25th Jan, paid rent Rs 8500. |

1. Prepare a Triple Column Cash Book from the following particulars:

2021

Jan 1st Cash in hand Rs.200000.

2nd Paid into bank Rs. 40000.

3rd Bought goods from Ram for Rs. 4000 for cash.

4th Bought goods for Rs.2000 paid cheques for them; discount received 1%

5th Sold goods to Mohan for cash Rs. 500.

6th Received a cheque from Sam to whom goods were sold for Rs. 2000. Discount allowed 12%

8th Purchased an old typewriter for Rs.1000 and Spent Rs. 100 on its repairs.

9th Paid salary Rs 10000 through cheque.

10th Received a money order for Rs. 100 from Ram.

11th Commission received Rs 1000.

12th Withdrew from bank Rs. 16000.

18th Goods sold for Rs 5000 and discount allowed Rs 100.

20th Withdrew for office use from bank Rs 1000.

22nd Withdrew for personal use Rs. 2000.

24th Paid trade expenses Rs. 4000.

1. Discuss Ind As 38 and differentiate between intangible assets and fictitious assets.
2. Mr. Srinivas carries on a small business but he does not maintain a complete set of accounts books. He banks all receipts and makes all payments by cheques. The following are the particulars obtained from the records. Receipts and payments for the year ended 31st Mar, 2021.

|  |  |  |  |
| --- | --- | --- | --- |
| Receipts | Rs | Payments | Rs |
| Cash from debtors | 70500 | Furniture | 2500 |
| Cash sales | 16500 | Drawings | 6000 |
| Additional capital | 10000 | Wages | 26900 |
|  |  | salaries | 5300 |
|  |  | Rent | 4800 |
|  |  | Sundry expenses | 10400 |
|  |  | Paid to Creditors | 30500 |

|  |  |  |
| --- | --- | --- |
| Assets and Liabilities | As on 1/4/2020 | As on 31/3/2021 |
| Furniture | 30000 | 31000 |
| Sundry Debtors | 15000 | 24500 |
| Stock | 25000 | 12500 |
| Bank | 2500 | ? |
| Sundry Creditors | 10100 | 9600 |

Provide reserve for doubtful debts Rs 1000, from the above particulars prepare Trading and P/L a/c for the year ended 31st Mar 2021 and Balance sheet as on that date.

**Section D**

**IV. Answer the following (15marks)**

1. From the following items,

Prepare trial balance, (5marks)

Prepare trading and P/L and (5marks)

Balance sheet. (5marks)

|  |  |
| --- | --- |
| Particulars | Amount |
| Capital | 50000 |
| Sales | 35000 |
| Purchases | 15000 |
| Purchase return | 3000 |
| Sales return | 13600 |
| Wages | 900 |
| salaries | 1500 |
| Rent | 2000 |
| opening stock | 10000 |
| Closing stock | 5000 |
| Bank balance | 45000 |