

Roll No



**PRESIDENCY UNIVERSITY  
BENGALURU**

**SET B**

**SCHOOL OF LAW  
END TERM EXAMINATION - JAN 2024**

**Semester :** Semester I - 2023  
**Course Code :** BBL3002  
**Course Name :** Business Accounting  
**Program :** BBA LLB Honors

**Date :** 11-JAN-2024  
**Time :** 1:00 PM - 4:00 PM  
**Max Marks :** 100  
**Weightage :** 50%

**Instructions:**

- (i) Read all questions carefully and answer accordingly.  
(ii) Question paper consists of 1 part.  
(iii) Scientific and non-programmable calculator are permitted.  
(iv) Do not write any information on the question paper other than Roll Number.

**ANSWER ALL THE QUESTIONS**

**(10 X 10 = 100M)**

1. Describe any five advantages of accountancy.

(CO1) [Comprehension]

2. What do you mean by Book-keeping? How will you differentiate book-keeping with Accountancy?

(CO1) [Comprehension]

3. Pass Journal Entries for the following transactions:

2023

April 5	Bought goods from Mohan of the list price of Rs. 10000 at 15% trade discount.
April 7	Settled the account of Mohan by paying cash, under a discount of 4%.
April 10	Bought goods for cash of the list price of Rs. 50000 at 20% trade discount and 5% cash discount.
April 20	Sold goods for cash of the list price of Rs. 20000 at 10% trade discount and 3% cash discount.

(CO2) [Comprehension]

4. Enter the following transactions in the Journal of Sahil Bros.

2023		Rs.
October 1	Purchased goods from Anil for Cash	40000
October 3	Purchased goods from Atul	75000
October 6	Returned goods to Atul	3000
October 8	Paid cash to Atul	50000
October 10	Sold goods to Charu	100000
October 12	Charu returned 20% of goods	
October 15	Paid rent	2000
October 20	Sahil withdrew for personal use	10000

(CO2) [Comprehension]

5. Record the following transactions in the 'JOURNAL PROPER' of M/s Mukesh Traders:

2023	
March 5	Sunil who owed us Rs. 50000 was declared insolvent and 40% is received as full and final payment.
March 10	An old machinery was sold to Kailash for Rs. 10000 on credit.
March 12	Proprietor withdrew for personal use cash Rs. 10000 and goods Rs. 4000.
March 15	Goods worth Rs. 40000 was destroyed by fire.
March 20	Insurance company admitted a fire insurance claim of Rs. 25000.
March 22	A bills receivable for Rs. 10000 endorsed to Mr. Mehata.
March 31	Wages outstanding for March 2023 Rs. 15000.
March 31	Insurance Prepaid at the end of the year was Rs. 2000.

(CO3) [Comprehension]

6. Prepare two column cash book from the following information:

2023	Particulars	Rs.
June 1	Cash in hand	2800
June 1	Cash at bank	7000
June 10	Discounted a bill of exchange at 1% through bank	5000
June 15	Cash sale	6000
June 18	Paid into the bank	3000
June 20	Paid rent	700
June 25	Bank charges	100
June 30	Withdrawn from bank for personal use	1500
June 30	Purchased goods on credit from Vinay	4000

(CO3) [Comprehension]

7. Rectify the following errors:

- (i) Credit sales to Arun Rs. 7000 were not recorded.
- (ii) Credit Purchases from Brij Rs. 9000 were not recorded.
- (iii) Goods returned to Charu Rs. 4000 were not recorded.
- (iv) Goods returned from Deepika Rs. 1000 were not recorded.
- (v) Credit sales to Arun Rs. 7000 were recorded as Rs. 700.

(CO4) [Comprehension]

8. On January 1, 2023, Arun sold goods for Rs. 30000 to Sunil. 50% of the payment was made immediately by Sunil on which Arun allowed a cash discount of 2%. For the balance Sunil drew a promissory note in favour of Arun payable after 20 days. Since, the date of maturity of bill was a public holiday, Arun presented the bill on a day, as per the provisions of Negotiable Instrument Act which was met by Sunil. State the date on which the bill was presented by Arun for payment and journalise the above transactions in the books of Arun and Sunil.

(CO4) [Application]

9. The following are the balances extracted from the books of Raghunath Ji as on 31st March, 2023. From these balances, prepare his Trading and Profit & Loss Account: -

S. NO.	Name of Ledger Accounts	Dr. (Rs.)	Cr. (Rs.)
1	Opening Stock	12000	
2	Purchases	40000	
3	Sales		86000
4	Discount		400
5	Sales Return	6000	
6	Buildings	50000	
7	Debtors	16000	
8	Salaries	2400	
9	Office Expenses	1200	
10	Wages	10000	
11	Purchase Return		4000
12	Interest		800
13	Travelling Expenses	400	
14	Fire Insurance Premium	800	
15	Machinery	20000	
16	Carriage on Purchases	700	
17	Commission	400	
18	Cash in hand	2300	
19	Rent and Taxes	1800	
20	Capital		62000
21	Creditors		10800
	Total	164000	164000

**Adjustments:**

1. Closing Stock was valued at Rs. 16000.
2. Wages Rs. 2000 and salaries Rs. 1200 are outstanding.
3. Rent for two months at the rate of Rs. 500 per month is outstanding.
4. Depreciate Building by 5% and machinery by 10%.
5. Prepaid Insurance Rs. 200.

(CO5) [Application]

10. Describe the meaning of following and explain the accounting treatment in final accounts when they are given outside the Trial Balance and inside the Trial Balance:

- (a) Prepaid Expenses
- (b) Closing Stock

(CO5) [Application]