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**Presidency University**

**Bengaluru**

 **SCHOOL OF COMMERCE**

**Make-Up Examinations, July 2024**

**Semester** : I

**Course Code**: MGT111

**Course Name**: Financial Accounting

**Program** : BBA

**Date**: 02 JULY 2024

**Time**: 9.30 AM – 12.30 PM

**Max Marks**: 100

**Weightage**: 50%

 **Instructions:**

1. *Read the all questions carefully and answer accordingly.*
2. *Question paper consists of three parts.*
3. *Scientific and Non Programable Calculators are Permitted.*
4. *Do not write any information on the question paper other than roll number.*

**Part A**

**Answer any FIVE Questions. (5 Q x 2 M = 10 M)**

1. Define Accounting. **(C.O.No.1) [Knowledge]**

2. Describe the term Accounting Cycle. **(C.O.No.2) [Knowledge]**

3. Define Journal Proper. **(C.O.No.3) [Knowledge]**

4. Who is Hire Vendor? **(C.O.No.4) [Knowledge]**

5. Define Bad Debts. **(C.O.No.5) [Knowledge]**

6. Write any two limitations of accounting. **(C.O.No.1) [Knowledge]**

7. Describe the term IFRS. **(C.O.No.2) [Knowledge]**

**Part B**

**Answer any FIVE Questions. (5 Q x 10 M = 50 M)**

8. Accounting conventions are guidelines used to help companies determine how to record certain business transactions that have not yet been fully addressed by accounting standards. These procedures and principles are not legally binding but are generally accepted by accounting bodies. With reference to above statement, Explain the accounting conventions with relevant examples. **(C.O.No.1) [Comprehension]**

9. Prepare trial balance as on 31st March 2019 from the following balances of M/s. Yashwant Singh (P) Ltd. **(C.O.No.2) [Comprehension]**

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | Amount | Particulars | Amount |
| Salaries DebtorsLandInsuranceCreditors | 14,0803,6808,0008,44025,760 | Return outwardSalesReturn InwardWagesCash at bank  | 13,36028,000 2,7203,20027,000 |

10. From the following transaction extracted from Mr. Madhavan, you are required to prepare a simple cash book. **(C.O.No.3) [Comprehension]**

|  |  |  |
| --- | --- | --- |
| **Date** | **Particulars** | **Amount** |
| 01.04.200005.04.200010.04.200013.04.200024.04.2000 | Commenced business with cash Bought goods for cashSold goods for cashPaid into bankPaid telephone charges  | 25,0006,00011,2002,500300 |

11. Distinguished between Hire Purchases and Instalment System. **(C.O.No.4) [Comprehension]**

12. Prepare a Profit and Loss Account from the following information. **(C.O.No.5) [Comprehension]**

|  |  |  |  |
| --- | --- | --- | --- |
| **Particulars** | **Amount** | **Particulars** | **Amount** |
| Trading ProfitSelling expensesAdvertisementBonus  | 1,60,00055,00014,00016,000 | Commission (Cr)Interest (Cr)Interest (Dr)Taxation | 25,00015,00020,00015,000 |

13. Mr, Narayanan, running a business, gives the following transaction during the month of May 2018.

 May 01 Cash invested into business Rs. 1,45,000

 08 Sold Goods to Ganesh Rs. 14,000

 16 Purchase Goods from Daniel Rs. 33,000

 18 Rent Paid Rs. 11,500

 20 Ganesh Settled his account Rs. 13,500

 23 Paid to Daniel and settled the account Rs. 32,000

 25 Paid salary Rs. 12,750

 28 Commission received from Velu Rs. 5,375

Journalise the above transaction. **(C.O.No.2) [Comprehension]**

14. Prepare Trading and Profit and Loss account from the following Information. **(C.O.No.5) [Comprehension]**

|  |  |  |  |
| --- | --- | --- | --- |
| **Particulars** | **Amount** | **Particulars** | **Amount** |
| Opening StockSalesSalaryInterest PaidCommission (Dr)General Expenses  | 30,00050,0008,0002,0004,0004,000 | Printing and StationaryPurchases less returnsClosing stockRent paid Rent Received Travelling Expenses  | 7,00020,00040,0003,50010,0001,500 |

**Part C**

**Answer any TWO Questions. (2 Q x 20 M = 40 M)**

15. Accounting concept refers to the basic assumptions and rules and principles which work as the basis of recording of business transactions and preparing accounts. With reference to above, Explain the various accounting concepts with relevant example. **(C.O.No.1) [Application]**

16. From the following information you are required to prepare Journal and Ledger of Murali of New Delhi for the month of March 2020. **(C.O.No.2) [Application]**

|  |  |
| --- | --- |
| **Date** | **Particulars** |
| 01.03.2020 | Murali commenced business with cash Rs. 90,000 |
| 04.03.2020 | Purchased goods for cash Rs.6,000 |
| 05.03.2020 | Deposited into bank Rs.40,000 |
| 06.03.2020 | Withdrew from bank for office use Rs.4,500 |
| 08.03.2020 | Sold goods to Raja Rs.4,800 |
| 12.03.2020 | Purchased goods on credit from Kathar Rs.1,380 |
| 15.03.2020 | Received from Raj Rs.4,650 and allowed him discount Rs.150 |
| 20.03.2020 | Cash sales Rs.7,200 |
| 28.03.2020 | Paid to Kathar in full settlement Rs.1,300 |
| 30.03.2020 | Paid rent Rs.300 and Paid salary Rs.1,600 |

17. From the following balances as at 31st March 2017of Sri Ram Enterprises, prepare Trading and Profit & Loss A/c and Balance sheet for the year 2016-17.

|  |  |  |  |
| --- | --- | --- | --- |
| **Particulars**  | **Amount** | **Particulars**  | **Amount** |
| SalariesRentCashDebtorsTrade ExpensesPurchasesAdvancesBank balance | 5,5001,3001,00040,00060025,0002,5005,600 | Creditors SalesCapitalLoans | 9,50032,00030,00010,000 |
| **Total** | **81,500** | **Total** | **81,500** |

Adjustments:

1. The Closing Stock amounted to Rs. 9,000
2. One month’s salary is outstanding
3. One month’s rent has been paid in advance
4. Provide Doubtful Debts @ 5%. **(C.O.No.5) [Application]**