



JAU-010-001106 Seat No. _____

B. B. A. (Sem. I) (CBCS) Examination

December – 2019

106 : Principles & Praticce of Accountancy - I
(Old Course)

Faculty Code : 010
Subject Code : 001106

Time : $2\frac{1}{2}$ Hours]

[Total Marks : 70

Instructions :

1. Figures to the **right** side indicate marks.
2. Show the **necessary** calculations.

1 Write a short note any **two** of the following : **14**

- (a) Types of Transactions.
- (b) Book-keeping and Accountancy.
- (c) Rules of Debit and Credit.
- (d) Advantages of Accounting.

2 Enter the following transactions of Shri Misary in her Journal : **14**

2004

July 1 : Opened a bank account with Rs. 10,000.

July 2 : Received a cheque from Krishna Rs. 500.

July 3 : Cheque received from Krishna is paid into bank.

July 4 : Received a crossed cheque from Gopal Rs. 200

(cheque received from Gopal immediately paid in to bank Rs. 200)

July 5 : A machine was purchased for Rs. 5,000 and paid for it by a cheque. The installation charges of the machine Rs. 100 paid in cash.

- July 6 : Sold goods for cash Rs. 2,000 and paid half the amount in to the bank.
- July 7 : Withdrawn Rs. 100 for personal use and Rs. 200 for office use from bank.
- July 8 : Paid Rs. 200 for salary in cash and fire insurance premium Rs. 100 by a cheque.
- July 9 : Given a cheque of Rs. 500 to Devendra on account.
- July 10 : Bank has debited Rs. 5 to our account for bank charges and credited Rs. 10 for interest.
- July 11: Given a cheque of Rs. 105 to Chirag in full settlement of our dues of Rs. 110 to him.

OR

- 2** Post the following transactions in the books of Nisha Shah **14**
and prepare necessary ledger as required :

2004

- April 1 : Started business with cash Rs. 10,000
- April 5 : Purchased goods from Krutika for cash Rs. 2,000
- April 12 : Sold goods to Niharika Rs. 1,500 and paid carriage Rs. 100 on her behalf.
- April 16 : Purchased a cupboard Rs. 2,800
- April 24 : Paid Rent Rs. 850 and paid salary to the accountant Puja Bhatt Rs. 1,000.
- April 26 : Received commission Rs. 1,200 from Prisha Singh.
- April 29 : Paid daughter Susmita's College fee Rs. 450.

- 3** Enter the following transactions in the Subsidiary books **14**
of Bhavin :

2005

- Jan 1 : Purchased goods from Kapil at a trade discount of 20% Rs. 10,000.
- Jan 2 : Of these, half the goods are sold to Gautam at a profit of 20%.

- Jan 2 : Purchased furniture from Abhishek on credit Rs. 300.
- Jan 3 : Gautam returned defective goods at Rs. 240, which we returned to Kapil.
- Jan 4 : Purchased goods of Rs. 2,000 from Ganesh at 20% trade discount and 5% cash discount. Paid half the amount in cash.
- Jan 5 : Sold to Deepak goods for cash Rs. 300.
- Jan 6 : Mayank placed an order to supply goods Rs. 1,000.
- Jan 7 : Sent goods to Mayank as per his order and paid Rs. 10 for carriage on his behalf.
- Jan 8 : Returned defective furniture to Abhishek Rs. 100.

OR

- 3** Enter the following transactions in the two column Cash Book of Jimit having Cash and Bank columns : **14**

2005

- Feb 1 : Cash balance Rs. 11,000, Bank balance Rs. 6,000.
- Feb 5 : Cash purchases Rs. 1,000, Cash Sales Rs. 2,000.
- Feb 7 : Rs. 5,000 paid into bank.
- Feb 8 : Received a cheque for Rs. 1,000 from Mihir.
- Feb 9 : Paid salary by cheque Rs. 400
- Feb 15 : Sold goods Rs. 4,000 and received cheque which was paid in the bank.
- Feb 20 : A cheque which was received from Mihir was paid into bank.
- Feb 22 : Withdrawn Rs. 4,000 for office expenses and Rs. 5,000 for personal use from the bank.
- Feb 24 : The cheque given by Mihir and paid into the bank was dishonored
- Feb 26 : A dividend of Rs. 1,500 collected by the bank was credited and Rs. 10 bank charges were debited.
- Feb 28 : Purchased goods worth Rs. 2,000 from Vinit on credit. Paid carriage Rs. 100 in cash.

- 4 From the following Trial Balance of Shruti, prepare Trading and Profit and Loss Account for the year ending 31-3-2019 and Balance Sheet as on that date : 14

<i>Debit Balances</i>	<i>Amt. (Rs.)</i>	<i>Credit Balances</i>	<i>Amt. (Rs.)</i>
Opening Stock	17,000	Capital	1,00,000
Purchases	96,100	Creditors	55,600
Wages	7,400	Sales	1,72,000
Carriage inward	5,400	Rent	2,400
Carriage outward	2,000		
Salary	6,000		
Buildings	80,000		
Furniture	4,600		
Depreciation on Furniture	500		
Debtors	81,000		
Insurance Premium	1,600		
Printing & Stationery	2,500		
Sundry Expenses	4,400		
Repairs	1,000		
Cash on hand	12,500		
Drawings	8,000		
	3,30,000		3,30,000

Adjustments :

1. Value of closing stock was Rs. 7,600.
2. Rs. 1,200 was outstanding for salaries.
3. Depreciation building by 5%.
4. Insurance paid in advance Rs. 100.
5. Buildings rent received in advance was Rs. 300.
6. Credit purchase of Rs. 700 was not recorded in the books of account.

OR

- 4 From the following Trial Balance of Shivani, prepare Trading and Profit and Loss Account for the year ending 31-3-2019 and Balance Sheet as on that date : 14

<i>Debit Balances</i>	<i>Amt. (Rs.)</i>	<i>Credit Balances</i>	<i>Amt. (Rs.)</i>
Plant & Machinery	55,000	Capital	93,220
Fixtures & Fittings	1,720	Sales	1,26,177
Factory fuels & Power	542	Sundry Creditors	22,680
Office Salaries	3,745	Purchase returns	3,182
Lighting (Factory)	392	Bills Payable	6,422
Travelling expenses	925		
Carriage on sales	960		
Cash at Bank	2,245		
Cash in hand	68		
Sundry debtors	47,800		
Purchases	83,290		
Manufacturing wages	9,915		
Rent and Taxes	1,765		
Office expenses	2,778		
Carriage on purchase	897		
Discount	422		
Drawings	6,820		
Opening stock	21,725		
Manufacturing expenses	2,680		
Sales returns	7,422		
Insurance	570		
	2,51,681		2,51,681

Adjustments :

1. Value of closing stock was Rs. 16,580.
2. Rs. 350 was outstanding for salaries and Rs. 800 outstanding for wages.
3. Depreciation on Plant and Machinery by 5% and 10% on Fittings and Furniture.

4. Insurance unexpired on 31st March, 2019 Rs. 70.
5. Reserve for March rent Rs. 150.
6. Reserve for bad debts 2.5% on sundry debtors.

5 Cash book of Neha and Co. showed a debit balance of **14**
Rs. 15,000 on 31-3-2019, which did not tally with the balance
as disclosed by the Bank statement. On scrutinizing the
following points observed :

1. Cheque of Rs. 1,250 was deposited in bank on
28th March, 2019 which was credited by the bank on
2-4-2019.
2. Out of the total cheques of Rs. 12,000 issued during the
month of March, 2019 cheques of Rs. 7,000 were not
presented for payment.
3. Bank charges Rs. 10 and interest collected and credited
Rs. 100 in the bank statement were not recorded in the
Cash Book.
4. Bank had paid Rs. 1,250 for the life insurance premium
according to the standing instruction.
5. Debit side of the bank Column of the cashbook was over
cast by Rs. 750.
6. A cheque of Rs. 125 issued to a creditor was duly paid
by the bank but it was recorded in the cash book as
Rs. 152.

You are required to prepare Bank Reconciliation
statement as on 31-3-2019.

OR

5 Give Journal Entries to rectify the following errors : **14**

1. Rs. 500 paid for erecting a machine is debited to the
wages Account.
2. Goods worth Rs. 2,000 was destroyed by fire, which was
not insured. This has not been recorded in the books.

3. Rs. 400 paid to Shantibhai has been recorded in Kantibhai's Account.
4. A bill payable of Rs. 850 was drawn by Jitendra Bhatia but has been entered in the Bills Receivable Book.
5. Purchase of Rs. 425 made from Vinayak More has been entered as Rs. 452 in the Purchase Book.
6. The sale of Rs. 125 made to V. Raman has been entered as Rs. 152 in the Sales book.
7. Goods worth Rs. 750 was sold to Badal Brothers which has been written in the Purchase Book.
8. Salaries Rs. 400 paid to Vimal Jain is debited to his personal account.
