



BBG-010-001106 Seat No. _____

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

July - 2021

106 - Principles and Practices of Accounting-01
(Old Course)

Faculty Code : 010

Subject Code : 001106

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

[Total Marks : 70

Instructions :

- (1) Figures to the right indicate full marks.
- (2) Show working notes wherever necessary as a part of your answer.
- (3) All questions carry equal marks.

1 Write short notes : (any two) **14**

- (1) Rules of Debit and Credit.
- (2) $A=C+L$
- (3) Any five accounting concepts.
- (4) Difference between bookkeeping and accountancy.

2 Write the following transactions of Shri Rajnish in his **14**

Journal :

2017

- Jan.1 Started business with cash 100,000, furniture 20,000, and creditors 10,000.
- 2 Bought goods from Kamlesh at 10% trade discount Rs. 20,000.
- 5 Open a bank a/c. and deposit Rs. 10,000 into it.

- 7 Sold goods to Kiran Rs. 10,000 at 10% T.D. and 5% C.D. she paid half amount.
- 9 Kumar sent goods to Kaushal by our instruction Rs. 10,000 and we sent an invoice at 20% profit on selling price.
- 12 Sold personal vehicle of Rs. 6500 for Rs. 4000 and invested it in business.
- 15 Kaushal returned goods of Rs. 2000 which we returned to Kumar.
- 18 Paid income tax Rs. 1000 by cash and sales tax Rs. 500 by cheque.
- 20 Kaushal paid half the amount. Allow him discount 5%.
- 22 Paid rent Rs. 5,000. Half premises are used for personal use.
- 25 Purchase a machine of Rs. 5000 from Krishna on credit. Paid installation charges 500.

OR

- 2 (a) Balancing of an account. 7
- (b) Sub division of ledger. 7
- 3 Record the following transactions in Purchase Book, Sales Book and returns book of Harvi : 14
- 2017
- May 1 Purchase goods of Rs. 80000 at 10% trade discount from Vimal.
- 3 Sold goods to Jigna Rs. 65,000.
- 5 Purchase Machinery from ABC furniture mart Rs. 10000.
- 8 Sold goods to Anjali of Rs. 50000 at 5% trade discount.

- 10 Return goods of Rs. 15,000 to Vimal.
- 12 Purchase goods of Rs. 40000 from Jensi and sold it to Nensi so as to receive 20% profit.
- 15 Jigna returns goods of Rs. 20000.
- 18 Sold old furniture of Rs. 10,000 to Jagdish Patel.
- 21 Purchase goods of Rs. 20000 from Janvi at 10% trade discount and 5% cash discount.
- 22 Paid balancing amount to Vimal to settle the account.
- 25 Nensi returns goods of Rs. 4500 which we return to Jensi.
- 28 Return goods back to Janvi Rs. 2,000.

OR

- 3** Prepare double column cash book from following transaction having cash and bank column of Shri Shah for December 2017.

- Dec. 1 Opening Cash balance Rs. 4000 and Bank balance Rs. 8000.
- 3 Sold goods of Rs. 4000 and receive a cheque for the same which is deposited into Bank.
- 5 Dividend on investment is collected and credited by bank Rs. 500.
- 7 Sold goods of Rs. 6000 at 10% T.D. Receive cash Rs. 2600 and crossed cheque from remaining amount from Mr. Maheta.
- 10 Withdraw from bank Rs. 1000 for office use and Rs. 500 for household expenses.
- 11 Sold goods of Rs. 5000 to Patel, received a cheque. Paid Rs. 200 for carriage.
- 13 Cheque of Patel endorsed to Pandit for payable amount.

- 12 Sold goods of Rs. 5000 to Sharma for which he gave us a cheque, which he received from Varma.
- 15 Cheque given by Patel dishonoured return to him.
- 17 Taken a change of Rs. 1000.
- 19 Cash purchase Rs/ 5,000, Cash sales Rs. 9,000
- 20 Purchase goods of Rs. 8000 from Makwana. Paid him cash Rs. 3000 and cheque of balance.
- 22 Received a cheque from Singh Rs. 9800 after deducting 2% discount.
- 23 Cheque of Singh deposited into bank.
- 28 Keeping Rs. 1000 cash on hand, remaining amount is deposited into bank.

- 4 The trial balance of Miss Amisha does not tally and therefore she has written difference to suspense account. 14

Write down rectifying entries and prepare suspense account.

- 1 Rs. 1,200 received from Munna is posted to his account on debit side.
- 2 Total of purchase book is under cost by Rs. 2,000.
- 3 Personal expense Rs. 2,000 is debited to sundry expense account.
- 4 Salary paid Rs. 10,000 to Pintu debited to his personal account.
- 5 Opening balance of Rs. 1,500 in Maitri's a/c. a creditor which is not brought forward.
- 6 Goods of Rs. 700 sold to Darshan are properly recorded in sales book but while posting the amount credited to his account.

7 A posting of Rs. 1200 to Parag's A/c. is left out from the purchase book.

8 Opening balance of Rs. 2,850 of debtor Kalpesh is recorded on credit side.

OR

4 The cash book of Aaliya doesn't tally with pass book and cash book shows balance of Rs. 15,000 on 31-3-12. Prepare B.R.S.

1 Cheque of Rs. 1250 deposited into bank on 28th but it was credited by bank on 4th April.

2 During the month cheque of Rs. 12,000 were issued of which cheque of Rs. 7,000 were not presented. While cheque of Rs. 2000 presented in next month.

3 A cheque of Rs. 750 issued to suppliers was duly paid by bank but recorded in cash book as Rs. 570.

4 Out of the cheques deposited into bank for collection, cheque of Rs. 4450 not collected up to 31-3-12. Also a cheque of Rs. 2000 credited on 4-4-12.

5 Debit side in cash book bank column was overcast by Rs. 500.

6 Bank has paid LIC premium Rs. 1,500 for which no entry has been made in cash book.

7 Bank interest credited by them Rs. 250.

8 A bill of Rs. 5,000 discounted earlier in the bank has been dishonoured and bank has collected same amount from out a/c. with noting charge Rs. 150.

9 The bank passbook shows credit of Rs. 1000 representing Rs. 400 paid by debtor and Rs. 600 collected for investment.

- 5 Prepare Final Accounts from the following Trial Balance 14
as on 31-3-2017 :

Trial Balance of Prit as on 31-3-2017

Name of Account	Debit (Rs.)	Credit (Rs.)
Drawings – Capital	24,000	3,00,000
Purchase – Sales	2,96,000	8,00,000
Goods Returns	80,000	20,000
Provident – Contribution to Provident fund	10,000	1,00,000
Provident fund Investment and Interest on it	1,00,000	8,000
Debtors – Creditors	2,00,000	1,50,000
Discount	46,000	14,000
Bad-Debts and Bad Debts Reserve	30,000	45,000
Bills Receivables – Bills Payable	15,000	25,000
Goods Stock (Dt. 1-04-2016)	80,000	-
Demurrage	4,000	-
Custom Duty	18,000	-
Trade Expenses	90,000	-
Cash Balance	16,000	-
Bank Balance	25,000	-
Fixed Assets (Cost Price Rs. 5,00,000)	4,00,000	-
Advertisement Expenses	28,000	-
	14,62,000	14,62,000

Adjustments :

- (1) Stock as on 31-3-2017 is Rs. 2,00,000 out of which market value of 30% stock is 20% more. Market value of 50% stock is less by 10% whereas remaining stock need to repairs expenses of Rs. 2,000.
- (2) Goods of Rs. 5,000 given as advertisement.
- (3) Write off Rs. 20,000 as bad debts from debtors and provide 10% bad debt reserve.
- (4) Calculate 10% interest on capital and 5% interest on drawings.
- (5) Calculate depreciation at 10% on fixed assets as per straight line method.

OR

5 Write down closing and adjusting entries of following **14**
transactions in the books of Mitesh :

- (1) Carriage outward is Rs. 5,000.
- (2) Interest Rs. 10000 is to be received for investments.
- (3) An amount of Rs. 15,000 receivable from Ketki is now not receivable.
- (4) Goods of Rs. 5,000 were sent to an orphanage not recorded.
- (5) Purchase is of Rs. 10,000.
- (6) Salary payable is Rs. 3,000.
- (7) Interest on capital is Rs. 8,000
- (8) Drawings are of Rs. 30,000.
- (9) Return inward Rs. 5,000.
- (10) Return outward is Rs. 8,000.
- (11) Closing stock is Rs. 25,000.
- (12) Discount received Rs. 500.
- (13) Goods of Rs. 5000 are of sales return, are included in purchase return.