

QP CODE: 24019185



Reg No :
Name :

BBM DEGREE (CBCS) REGULAR / IMPROVEMENT / REAPPEARANCE EXAMINATIONS, MAY 2024

Second Semester

Bachelor of Business Management

Core Course - BM2CRT06 - FINANCIAL ACCOUNTING

2017 ADMISSION ONWARDS

93C1201E

Time: 3 Hours

Max. Marks : 80

Part A

Answer any **ten** questions.

Each question carries 2 marks.

1. What is Cost Accounting?
2. What is meant by Entity?
3. Explain Money measurement principle.
4. What is the meaning of debit and credit?
5. What are Banking Transactions?
6. What is Purchases Return Book?
7. Explain the purpose of preparing bank reconciliation statement.
8. Distinguish between deposit balance and overdraft balance.
9. Define depreciation.
10. Define provisions.
11. What is Capital Receipt?
12. What is a Trading account?

(10×2=20)

Part B

Answer any **six** questions.

Each question carries 5 marks.

13. Explain different types of Accounting information.
14. Explain the objectives and utility of Accounting standards.
15. Explain the meaning of Debit and Credit with Examples.
16. What are the characteristics of Trial Balance?
17. Explain the need for preparing a bank reconciliation statement.
18. Explain the factors affecting the amount of depreciation to be charged on assets.





19. On 01 January 2015, A & Co. purchased a machinery costing Rs.50000. Show the machinery account for the first 4 years by charging depreciation @ 10% under fixed instalment method.
20. Explain the purpose of preparing Profit and Loss account.
21. Explain grouping and marshelling of Assets and Liabilities.

(6×5=30)

Part C

Answer any **two** questions.

Each question carries **15** marks.

22. Write a three column cash book with cash and bank columns from the following transactions
2018
March
 1. Cash in hand Rs 15000
 3. Purchased goods for cash Rs 6000
 5. Deposited in bank Rs 5000
 8. Cash sales Rs 10000
 10. Cash withdrew from bank for office use Rs 2000
 12. Received cash from Damini Rs 3000, allowed her discount of Rs 100
 15. Recived cheque from Dolly Rs 2000 and deposited in the bank on the same day allowed her discount Rs 7!
 18. Receive cheque from Deepak for Rs 5000 (not banked)
 19. Cheque received from Deepak deposited in the bank
 24. Paid to Chander by cheque Rs 2500, he allowed discount Rs 125
 27. Withdrew from bank for personal use Rs 1500
 28. sold goods on credit to Ashok Mitra Rs 4000
 30. Purchased goods on credit from Chander Rs 5000
 31. Received cheque from Ashok Mitra Rs 2000 and deposited in the bank
 31. Bank charges for the month Rs 100
23. Balance as shown by the bank passbook should agree with the balance as shown by the business cash book. Do you agree? If not, explain the reasons for disagreement.
24. ABC company purchased machinery worth Rs.40000 on 01 January 2005 and decided to write off depreciator under fixed instalment method @ 10%. After writing off depreciation for 3 years, it was decided to change the system of charging the depreciation to that of diminishing balance @ 10% from the beginning and adjust the difference to P&L account for the fourth year. Show the balance that would be shown by the machinery account as on 01 January 2009.
25. Following Trial Balance has been extracted from the books of Shri Sunder Lal on 31st March 2018

Particulars	Debit Balances	Credit Balances
Cash in hand and at Bank	7740	
Capital		300000
Drawings	12600	
Bill Receivable	3720	
Land & Buildings	65160	
Furniture	10240	
Wages	93770	





Discount Allowed	7920	
Discount Received		5970
Loan account at 6%		30000
Bank charges	210	
Bad Debts	2760	
Sundry Debtors	131550	
Office salaries	12840	
Purchases	398160	
Stock on 1st April 2018	120450	
Sales Return	3750	
Carriage Inwards	10360	
General Expenses	15360	
Plant and Machinery	43280	
Rent and Rates	7260	
Purchases Returns		2910
Sales		563010
Insurance	1410	
provision for doubtful debts		9300
Sundry Creditors		37350
	948540	948540

Closing stock on 31st March 2018 was 127410, you are required to prepare Trading and Profit Loss account for the year ended 31st march 2018 and Balance sheet as at that date

following are the adjustments

{a} Depreciate Plant and Machinery at 10% and Furniture at 5%

(b) Raise the provision for doubtful debts to Rs 15000

(c) Insurance includes annual premium of Rs 720 on a policy which will expire on 30th september 2018

(d) Purchases included a computer costing Rs 6000

(2×15=30)

