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**[3672]-103**

**B. B. A. ( Semester - I ) Examination - 2009**

**BUSINESS ACCOUNTING**

**(2008 Pattern)**

**Time : 3 Hours]**

**[Max. Marks : 80**

**Instructions :**

- (1) *All questions are compulsory.*
  - (2) *Figures to the right indicate full marks.*
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**Q.1) (A) Fill in the blanks : (Any Five) [05]**

- (a) To draw two parallel lines across the face of cheque is called \_\_\_\_\_.
- (b) Sales Book is used to record all \_\_\_\_\_.
- (c) Sales – Gross Profit = \_\_\_\_\_.
- (d) Closing Stock is always valued at \_\_\_\_\_.
- (e) \_\_\_\_\_ Balance on Nominal Account shows income or gains.
- (f) The concept under which one can sell goods to himself is called \_\_\_\_\_.

**(B) State whether the following statements are **true** or **false** : [05]**

- (a) The expression 'depreciation' at 10% and 10% p.a. conveys the same meaning.
- (b) Accrual concept implies accounting on cash basis.
- (c) Cash Discount always appears in the Books of Accounts.
- (d) Accounting involves Communication.
- (e) Debit Balance in Cash Book means Bank Overdraft.

(C) Answer in brief : **(Any Five)** **[05]**

- (a) What is Net Worth ?
- (b) What is Contingent Liability ?
- (c) Who is Debtor ?
- (d) What is Goodwill ?
- (e) What are Goods ?
- (f) What is Narration ?

(D) Match the following pairs : **[05]**

<b>‘A’</b>		<b>‘B’</b>	
(a) Business	(i)	Person whose assets are equal or exceed his liabilities	
(b) Income	(ii)	Commodities in which a trader deals	
(c) Transaction	(iii)	Amount irrecoverable from debtors	
(d) Capital	(iv)	Person whose assets are less than his liabilities	
(e) Solvent	(v)	Activity undertaken for earning profit	
	(vi)	Excess of Assets over Liabilities	
	(vii)	Dealing between Persons for Exchange of Goods and Services	
	(viii)	Amount received in return for services	

**Q.2)** The Cash Book of Mr. Pranav showed a Bank Balance of Rs. 1,600 on 31st March, 2009. His Pass Book showed totally a different result. On comparison the following discrepancies are traced out. **[12]**

- (1) Cheques issued but not presented for payments prior to 31st March, 2009 amounted to Rs. 2,500.

- (2) A cheque of Rs. 6,200 deposited into bank on 30th March, 2009 is credited by bank on 3-4-2009.
- (3) A customer paid Rs. 2,000 directly into bank account which was not entered in Cash Book.
- (4) A cheque of Rs. 2,100 deposited and credited by bank was recorded as Rs. 1,200 in the Cash Book.
- (5) Payment of Insurance Premium of Rs. 900 by bank was not recorded in Cash Book.

**OR**

**Q.2)** Prepare a Trial Balance from the following : **[12]**

Purchases	1,40,000	Sales Returns	16,000
Opening Stock	1,20,000	Sales	2,00,000
Trade Expenses	16,000	Cash	20,000
Purchases Return	8,000	Outstanding Expenses	8,000
Bank Overdraft	1,00,000	Debtors	1,12,000
Creditors	24,000	Building	2,00,000
Carriage Inward	8,000	Carriage Outward	12,000
Discount Received	20,000	Loan from Ajay	60,000,
Capital	2,24,000	Salaries	50,000
Investment	20,000	Interest Received	20,000
Bank Loan	50,000	Miscellaneous Receipts	1,000
Printing and Stationery	500	Cleaning Expenses	500

**Q.3)** Following is the Trial Balance of Mahadev Mane of Hanumantwadi for the year ended 31st March, 2009, prepare Trading and Profit and Loss A/c. for the year ended 31st March, 2009 and the Balance Sheet as on that date : [20]

Particulars	Debit	Particulars	Credit
Purchases	98,000	Sales	2,12,000
Wages	21,000	Mahadev Mane's Capital A/c.	1,10,000
Stock on 1-4-08	25,000	Creditors	35,000
Printing and Stationery	17,000	Return Outward	2,300
Insurance (Paid upto 30-9-09)	2,200	Loan from Shivaji	18,000
Salaries	32,000	Rent Received	3,200
Carriage Inward	10,000		
Carriage Outward	12,000		
Advertisement	14,000		
Land and Buildings	35,000		
Machinery	60,000		
Debtors	30,000		
Return Inward	2,000		
Cash	2,300		
Patents	20,000		
	<b>3,80,500</b>		<b>3,80,500</b>

**Adjustments :**

- (1) Closing Stock as on 31-3-09 is valued at Cost Price Rs. 32,000 and at Market Price Rs. 26,000.
- (2) Depreciate Machinery @ 10% p.a. and Patents are revalued on 31-3-09 at Rs. 18,200.

- (3) A part of building is let out at Rs. 1,000 per month from 1st December, 2008.
- (4) Outstanding Expenses are - Printing Bill Rs. 1,200, Wages Rs. 1,800, Salaries Rs. 3,800.

**Q.4)** Journalise the following transactions in the books of Vikram Patil of Karad for the month of March, 2009 : **[16]**

- 1 Vikram started business with Cash of Rs. 10,000, Bank Balance Rs. 25,000 and Machinery Rs. 25,000.
- 2 Bought Goods Rs. 5,000 @ 12% Trade Discount.
- 4 Received Rs. 450 as dividend on shares from Tata Motors Ltd.
- 5 Goods supplied to Sanjay Rs. 600 on Credit.
- 6 Purchased Goods Rs. 800 from Ajay.
- 7 Salary paid to Sujay, a foreman, Rs. 950.
- 9 Damage goods returned to Ajay Rs. 80.
- 12 Goods sold for Cash Rs. 1,200 to Parajay.
- 14 Rent paid by Cheque Rs. 500 to Jay.
- 17 Cash Sales Rs. 900.
- 21 Goods costing Rs. 350 distributed as free samples.
- 24 Borrowed Rs. 10,000 from Dena Bank.
- 25 Paid Rs. 700 as repairs to Motor Car.
- 27 Purchased a Cow from Digvijay for Cash Rs. 3,500.
- 28 Remitted to Ajay Rs. 680 in full settlement of his account.
- 29 Sold private motor-cycle for Rs. 18,000 and invested the same into the business.

**OR**

**Q.4)** Enter the following transactions of Mrs. Karishma in Cash Book with Cash, Bank and Discount Columns and Balance the same for March, 2009 : **[16]**

- 1     Cash in Hand Rs. 15,700, Cash at Bank Rs. 25,400.
- 3     Bought Goods for Cash Rs. 4,100.
- 9     Withdrew Rs. 500 from bank for private use.
- 15    Rs. 5,000 paid to Meera and Co.
- 20    Received Rs. 4,000 from Amjadkhan.
- 23    Rs. 6,000 paid to Shiv Dayal and Co. by cheque; discount allowed Rs. 300.
- 26    Paid into Bank Rs. 2,200.
- 28    Received Rs. 1,000 from Amirkhan in Cash.
- 30    Paid Rs. 500 for Advertisement by Cheque.
- 30    Paid Salaries to Staff Rs. 1,800.
- 30    Cash Sales Rs. 21,800
- 30    Paid into Bank Rs. 20,000.
- 31    Bought 100 shares in Hind Ltd. at Rs. 11 per Share, Brokerage paid Rs. 25 in cash.
- 31    Received Rs. 5,900 from Babita and Co., discount allowed Rs. 100.

**Q.5)** Briefly explain Provisions of Company Law regarding maintenance of proper Books of Account. **[12]**

**OR**

**Q.5) Write short notes : (Any Three)**

**[12]**

- (a) Accounting Software Packages
  - (b) Limitations of Financial Accounting
  - (c) Money Measurement Concept
  - (d) Computers and Financial Applications
  - (e) Accounting Standards
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