

# Madras University

## B.B.A Business Administration Financial Accounting Question paper

April 2010 BPZ1A/BPF1A/BPC1A

Time:3hours

Maximum:75 marks

### partA - (10X3=30 marks)

Answer any 10 questions

1. What do you understand by term Debit and Credit?
2. What is purchase book?
3. Journalise the following transaction.  
Received cash from Chand&Bros.on account-Rs.1200
4. From the following ledger balance you are required to state which account has debit(Or)credit balance?  
(a)Discount allowed,  
(b)Cash at bank,  
(c)Bills payable,  
(d)Purchase.
5. Rectify the following errors.  
(a)Sales to sridhar Rs.152, posted to his account as Rs.125.  
(b)Discount received Rs.37 From Babu posted to his account as Rs.39.
6. What do you understand by trading account?
7. What is "Bank reconciliation statement"?
8. Find out the profit from the following data  
  
Capital at the begining of the year Rs.800000  
Drawing during the year Rs.180000  
Capital at the end of the year Rs.900000  
Capital introduced durin the year Rs.50000
9. What is meant by trial balance?
- 10.From the following calculate gross profit:  
opening Stock: Rs.500:  
Sales Rs,4000  
Closing stock Rs 500  
purchases Rs,3000
- 11.State any two methods of calculating depreciation.
- 12.What is profit and loss account?

### Part B-(5X5=25 marks)

Answer any five quesions.

- 13.Enter the following transactions in the journal of hariprasad of Hyderabad

2006 Rs

July 1 commenced business with cash 180000

2 Deposited in to bank 55000

3 purchase goods fo cash 22000

4 Bought goods of swaminathan 72000

5 Cash sales 16200.

14. The following errors were found in the books of prabakar & sons give necessary entries to them :

(a) Salary of Rs. 1000 paid to Mohan due to him has been debited to his personal account.

(b) Rs. 1500 paid in cash for typewriter was charged to purchase account

(c) Rs. 5000 paid for furniture purchased has been charged to purchases account

15. From the following particulars ascertain the bank balances as per cash book of swamy as at

31st march 2003.

(a) Credit balances as per pass book as on 31.03.93 Rs. 2500

(b) Bank charges of Rs. 60 had not been entered in the cashbook.

(c) Out of the cheques of Rs. 3500 paid in to the bank, a cheque of Rs 1000 was not yet credited by the banker.

(d) Out of the cheque issued for Rs 4500 cheques of Rs. 3800 only were presented for payment.

(e) A cheque of Rs 600 deposited has been dishonoured prior to 31.03.2003, but no entry was

made in the cash book.

16. Messrs. Sarojini Balu & co., purchased a machine for Rs. 22000 on January 1, 2002. The estimated

life of the machinery is 10 years, after which its break-up value will be Rs. 2000.

Depreciation has to be charged at 21% on the diminishing balance. There was an additional

to original plant on January 1 2004 to the value of Rs 4000 you are required to prepare machinery A/C for the first three years.

17. Mohan a retail merchant commenced business with a capital of RS. 12000 On 1-01-2000.

Subsequently on 1-05-2000 he invested further capital of Rs 5000. 31-12-1994 his assets and

liabilities were as follows

RS

Cash at bank 3000

Debtors 4000

Stock 16000

Furniture 2000

Creditors 5000

Calculate the profit or loss made during the year 2000.

18. write a short note on:

(a) Life membership fees,

(b) Donations.

19. Opening stock Rs, 25000

Closing stock Rs, 45000

Purchase Rs, 150000

Gross profit is 20% on sales, calculate sales.

Part C -(10X3=30 marks)

Answer any 3 questions

20. Journalise the following transaction of M/S Radha & Sons

2000 Rs

Jan 1 Business started with Rs. 250000 and cash deposited with bank

3 Purchased machinery credit from Rangan 50000

12 goods sold to yasodha to 22500

15 goods sold for cash 25000

21 cash paid to ramola 20000

31 paid salaries 15000

31 paid rent 2500

21. Mr. Madhan while balancing his books finds that he is out by Rs, 280. Being required to prepare the finance account he places the difference to a newly opened suspense account which he carries forward to the next year. In the next year the following mistakes were discovered.

(a) goods bought from them Mr. Mani amounting to Rs 50 had been posted to the credit of his account as Rs. 550

(b) A dishonoured bills receivable for Rs. 2000 returned by the banks account a bills debited

to bills receivable account.

(c) Discount amounting to Rs. 20 from the creditor has been in his account but not posted to discount account.

prepare journal entries

22. A company whose accounting year is the calendar year, purchased on 1-1-93 a machine for Rs. 4000. It purchased further machinery on 1-09-93 for Rs. 20000, on 1-07-1994 for Rs 10000. show how the machinery account would appear in the books of the

company for all 3 years under diminishing balance method. Depreciation to be provided at 10% pa.

23. The following are the balance in the ledger of Mr. Sundar for the year ended 31-03-2005

Opening stock 20000  
Raw materials 3000  
Work in progress 10800  
Finished goods 250000  
Sales 240000  
Wages 42000  
Factory expenses 40000  
Office expenses 30000  
Closing stock:  
Raw materials 20000  
Work in progress 4000  
Finished goods 8000

Prepare manufacturing and trading account for the year ended 31-03-2005.

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