

**VVM'S SHREE DAMODAR COLLEGE OF COMMERCE & ECONOMICS**  
**FY BBA (FS), SEMESTER I, SEMESTER END ASSESSMENT, Repeat April 2018**  
**SUBJECT: FUNDAMENTALS OF ACCOUNTING**

**TIMING: 3 HOURS**

**MARKS: 60**

***Important Instructions:***

- All questions are compulsory
- Start each question on a fresh page
- Figure to the right indicate maximum marks

**Q1. Write a short note on any four of the following: (4 x 3 Marks) ... 12 Marks**

- a. Users of accounting information
- b. Bank reconciliation statement
- c. E- Accounting
- d. Subsidiary books
- e. Accounting equation

**Q2. a) Explain the different types of vouchers used in an organisation. ... 4 Marks**

**OR**

**b) Give two points of distinction between cash and mercantile system. ... 4 Marks**

**Q3. a) Discuss any three accounting conventions used in an organisation ... 4 Marks**

**OR**

**b) Explain the different causes of disagreement of pass book with cash book. ... 4 Marks**

**Q4. Answer any four of the following: - (4 x 10 Marks) ... 40 Marks**

**a. Journalise the following transaction in the books of A ltd for the month of January 2016**

January 1	Started business with cash 1,00,000 and Machinery 2,000
January 3	Cash withdrawn for buying vehicle for personal use Rs. 15,000
January 8	Purchased goods worth Rs.5,000 from Sarita on credit.
January 12	Neha Purchased goods worth Rs.4,000 from Supriya on credit.
January 18	Received a Cheque from Neha in full settlement of her account Rs.3,850. Discount allowed to her Rs.150
January 20	Payment made to Sarita Rs.4,900. Discount allowed by him Rs.100.
January 22	Purchased goods for cash Rs.10,000.
January 24	Goods sold to Kavita for Rs.15,000. Trade discount @ 20% is allowed to her.
January 29	Payment received from Kavita by Cheque.

- b. Prepare triple columnar Cash Book of Rahul enterprises ltd. for month June 2016.

June 1	Started business with cash Rs. 1,00,000
June 3	Opened a bank current a/c with SBI Rs. 60,000
June 10	Sold goods to Mohan for cash Rs. 10,000 and on credit Rs. 22,000
June 12	Received cheque from Mohan 21,400 and allowed discount Rs. 600
June 15	Paid electricity charges Rs. 1100 & rent Rs. 2,000
June 23	Withdrew cash from bank for office use Rs. 5,000 & for personal use 3,500
June 29	Bank allowed interest Rs. 800 & bank charges were Rs. 200

- c. Enter the following transactions in journal and post them into the ledger and also prepare a trial balance for the year 2015.

Jan. 1	Mr. Kancha started business with cash 80,000 and furniture 20,000.
Jan. 2	Purchased goods on credit worth 30,000 from Décor ltd..
Jan. 3	Sold goods for cash 16,000.
Jan. 4	Sold goods on credit to Sumit for 10,000
Jan. 8	Cash received from Sumit 9,800 in full settlement of his account.

- d. From the following trial Balance and additional information, you are required to prepare profit and loss account and balance sheet.

**Trial Balance as on 31<sup>st</sup> December, 2008**

Particulars	Debit (Rs.)	Credit (Rs.)
Capital		20,000
Debtors	5400	
Drawings	1800	
Machinery	7000	
Creditors		2800
Wages	10000	
Purchases	19000	
Opening stock	4000	
Bank Balance	3000	
Carriage inward	300	
Salaries	400	
Rent and rates	900	
Sales		29000
<b>Total</b>	<b>51800</b>	<b>51800</b>

Additional Information:

- (i) Closing Stock Rs. 1,200.
- (ii) Outstanding Rent and Taxes Rs. 100.
- (iii) Charge depreciation on machinery at 10%.
- (iv) Wages prepaid Rs. 400.



- e. From the following particulars, prepare Statement of profit and loss for the year ending March 2013, as per the revised Schedule VI:

Balances	Debit (Rs.)	Credit (Rs.)
Plant and Machinery	1,60,000	
Land	6,74,000	
Depreciation on Plant and Machinery	16,000	
Purchases (Adjusted)	4,00,000	
Closing stock	1,50,000	
Wages	1,20,000	
Sales (Net)		10,00,000
Salaries	80,000	
Bank overdraft		2,00,000
10% debentures (issued on 1st April, 2012)		1,00,000
Equity share capital– shares of Rs. 100 each (fully paid)		2,00,000
Preference share capital		1,00,000
	16,00,000	16,00,000

Note: Provide for tax @ 50%

\*\*\*\*\*