

TILAK MAHARASHTRA VIDYAPEETH, PUNE

BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)

EXAMINATION: MAY- 2024

SEMESTER - I

Sub.: Principles of Financial Accounting (BBA15-112)

Date :27/05/2024

Total Marks : 60

Time: 10.00 am To 12.30 pm

- Instructions:** 1) All questions are compulsory.
2) Figures to the right indicate full marks.

Q. 1. Choose the most appropriate option. (05)

1. Matching concept means.....

a) Transactions recorded at accrual concept	b) Assets = capital + liabilities
c) Anticipate no profit but recognize all losses	d) Expenses should be matched with the revenue of the period.
2. The rule debit what comes in and credit what goes out is relates to

a) Nominal Accounts	b) Real Accounts
c) Personal Accounts	d) All of the given
3. Which of the following is the closing balance of a ledger account?

a) Balance b/d	b) Balance u/d
c) Balance c/d	d) Balance d/d
4. Capital Account is a..... Account.

a) Personal	b) Nominal
d) Real	d) None
5. Represents credit sales.

a) Debtors	b) Expense
c) Drawing	d) Income

Q. 2. State True / False (05)

1. Machinery A/C is a real account.

a) True	b) False
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2. The purpose of any charitable institutes is not to earn money but to provide services.

a) True	b) False
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3. Final Accounts are prepared at the end of a financial year.

a) True	b) False
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4. Income tax is an expenditure for a business.

a) True	b) False
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5. Jio Finance Ltd. is an example of a personal account.

a) True	b) False
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Q. 3. Write Short notes on (Any Three) (15)

1. Debtors
2. Need of Financial Accounting
3. Trial Balance
4. Ledger
5. Balance Sheet

Q. 4. Answer in detail (Any Two) (20)

1. From the following information prepare Cash A/C, Purchases A/C, Sales A/C and Capital A/C in the books of Mrs. Neha
 - a) Started business with cash Rs. 90,000.
 - b) Purchased goods on credit from Mr. Deshmukh Rs. 20,000
 - c) Cash sales Rs. 60,000
 - d) Paid Rent Rs. 5,000.
 - e) Cash Purchases Rs. 10,000
 - f) Credit sales to Mr. Kulkarni Rs. 4,000.
 - g) Paid cash to Mr. DeshmukhRs. 17,000
 - h) Received cash from Mr. Kulkarni Rs. 4,000.
 - i) Paid wages Rs. 1,000.

2. Prepare a trial balance as on 31st March 2024 from the following list of balances:

Return Outwards	3,000	Motor Van	90,000
Advertisement	15,600	Office Rent	10,200
Bad Debts	1,200	Opening stock	36,000
Bills Payable	18,000	Plant & Machinery	72,000
Bills Receivable	12,000	Purchases	2,40,000
Capital	3,00,000	Reserve for Doubtful Debts	7,200
Cash in Hand	24,000	Reserve Fund	12,000
Creditors	90,000	Royalties paid	6,000
Debtors	1,50,000	Salaries	18,000
Discount (allowed)	4,800	Sales	4,20,000
Drawing	9,000	Trade Expenses	4,200
Freehold Property	48,000	Wages & Salaries	31,200
Furniture	18,000	Investment	48,000

3. Sumedha provided the following information. You are requested to help her to pass necessary journal entries.
 - a. 1st July 2023 started business with cash Rs. 2,00,000.
 - b. 2nd July 2023 Cash deposited in bank Rs. 50,000
 - c. 6th July 2023 Purchased raw material on credit from Neet Rs. 30,000.
 - d. 9th July 2023 Cash sales Rs. 40,000
 - e. 13th July 2023 she paid rent Rs. 20,000.
 - f. 15th July 2023 Cash Purchases Rs. 30,000.
 - g. 23th July 2023 Credit sales to Mrs. GayatriRs. 33,000.
 - h. 25nd July 2023 Paid cash to Mr. Ganesh Rs. 9,000
 - i. 23rd July 2023 Received cash from Mrs. GayatriRs. 32,000.
 - j. 26th July 2023 Paid wages Rs. 55,000.
 - k. 30th July 2023 Withdrew cash Ra. 5,000 for personal use.
4. Write a detailed note on Types of Accounting.

Q. 5. Case study

(15)

Classify the following accounts in three categories Personal, Real A/C, Nominal A/C

Ramesh	Motor Van	Factory
Advertisement	Office Rent	Interest
Bad Debts	Opening stock	Commission
Bank of Baroda	Plant & Machinery	Carriage
Wages	Purchases	Patent
Capital	Goodwill	Land
Cash in Hand	Machinery	Birla Ltd.
Creditors	Royalties paid	Suhani
Debtors	Salaries	Drawing
Discount (allowed)	Sales	Stock
Drawing	Trade Expenses	
Freehold Property	Wages & Salaries	
Furniture	Investment	
