



K22U 3572

Reg. No. :

Name :

**Third Semester B.B.A./B.B.A. (R.T.M.) Degree (CBCSS – OBE-Regular/
Supplementary/Improvement) Examination, November 2022
(2019 Admission Onwards)
Core Course
3B04 BBA/BBA (RTM) : FINANCIAL ACCOUNTING**

Time : 3 Hours

Max. Marks : 40

PART – A

(Very Short Answer)

Answer **all** the questions. **Each** question carries **one** mark.

1. What is Accounting ?
2. Explain your idea about Ledger.
3. What is Final Account ?
4. What is Depreciation ?
5. Explain the term Provision.
6. What is Amalgamation ?

(6×1=6)

PART – B

(Short Answer)

Answer **any six** questions. **Each** question carries **2** marks.

7. What is Corporate Dividend Tax ?
8. What Journal entry is reordered 'when Furniture Rs. 10,000 purchased from Arun' ?
9. What do you mean by Contingent liabilities ? List out two examples.
10. What do you mean by Forfeiture of the share ?
11. Narrate the journal entries for loss of goods by fire amounted Rs. 5,000 and Insurance Company agreed to compensate 75% of the total loss.

P.T.O.



12. Give the journal entries for the following transactions.
- Cash received from Karan Rs. 20,000; allowed him a discount of Rs. 4,000
 - Cash paid to Manu Rs. 40,000; discount allowed by him Rs. 5,000
13. What is the importance of depreciation ?
14. State the Accounting Equation.

(6×2=12)

PART – C

(Essay)

Answer **any four** questions. **Each** question carries **3** marks.

15. The following is the part of a trial balance of a firm as on 31st December 2021.

Particulars	Dr.	Cr.
Sundry Debtors	82,000	
Bad debts	3,000	
Prov. for bad debts		3,600

Additional information :

Further bad debts to be written off – Rs. 2,000

Create provision for bad debts @ 10% on debtors.

Show how these items appear in Profit and Loss A/c and Balance Sheet.

16. Briefly explain the classification of Debentures.
17. How are the following items adjusted while preparing financial statements
- Advance Income received
 - Outstanding expenses
 - Dishonor of a cheque
 - Interest charged by the bank.
18. Mr. Manu, the petty cashier of M/s Raj Traders received Rs. 400 on January 1 2021 from the head cashier. For the month, details of petty expenses are listed as under :

Date 2021 January	Details	Amount (Rs.)
1	Telegrams	25
3	Travelling expenses	21
10	Taxi fare	35
15	Postage	41
18	Printing charges	25
22	Repair	10
23	Refreshment	20
26	Carriage on goods	36

Prepare a petty cash book.



19. Identify the following transactions based on Cash, Credit and Bank. Also, briefly state the reason.

Date 2021 December	Details
1	Mr. Raj Commenced business with Cash Rs. 25,000, Stock Rs. 20,000, Bank Rs. 10,000
3	Bought goods by cheque Rs. 5,000
10	Paid carriage by cheque Rs. 250
15	Sold goods for cash Rs. 8,500
18	Sold goods on credit to M/s Gadha Traders Rs. 6,900
22	Purchased a machinery from Kiran Rs. 6,000
23	Purchased goods and paid by cheque Rs. 5,000
25	Cash Sales Rs. 4,000
28	Paid into bank Rs. 3,000
29	Paid salary by cheque Rs. 600
30	Received commission Rs. 2,000
31	Purchased goods and paid by cheque Rs. 4,000

20. Journalize the following transactions.

- a) Ashok started business with cash Rs. 8,000, furniture Rs. 4,000 and stock of goods Rs. 16,000
- b) Deposited cash in State Bank of India Rs. 10,000
- c) Purchased goods from Manu Rs. 10,000 at a trade discount of 5%
- d) Sold goods to Abhi Rs. 12,000 at a trade discount of 6%
- e) Sold goods for cash Rs. 10,000
- f) Purchased goods for cash Rs. 12,000
- g) Paid to Manu Rs. 4,000; Discount allowed by him Rs. 400
- h) Received from Abhi Rs. 8,000; allowed him a discount of Rs. 600. (4×3=12)

PART – D

(Long Essay)

Answer **any two** questions. **Each** question carries **5** marks.

21. Explain briefly the uses of Financial Accounting.

22. The following trial balance has been taken out from the books of XYZ as on 31st December 2021.

Particulars	Dr.	Cr.
Plant and Machinery	1,00,000	
Opening stock	60,000	



Purchases	1,60,000	
Building	1,70,000	
Carriage inward	3,400	
Carriage outward	5,000	
Wages	32,000	
Sundry debtors	1,00,000	
Salaries	24,000	
Furniture	36,000	
Trade expense	12,000	
Discount on sales	1,900	
Advertisement	5,000	
Bad debts	1,800	
Drawings	10,000	
Bills receivable	50,000	
Insurance	4,400	
Bank balances	20,000	
Sales		4,80,000
Interest received		2,000
Sundry creditors		40,000
Bank loan		1,00,000
Discount on purchases		2,000
Capital		1,71,500
	7,95,500	7,95,500

Closing stock is valued at Rs. 90,000. Prepare the Trading and Profit and Loss Account of the business for the year ended 31-12-2021.

23. The bank balance of a business firm has increased during the last financial year by Rs. 1,50,000. During the same period it issued shares of Rs. 2,00,000 and redeemed debentures of Rs. 1,50,000. It purchased fixed assets for Rs. 40,000 and charged depreciation of Rs. 20,000. The working capital of the firm, other than bank balance, increased by Rs. 1,15,000 during the period. Calculate the profit of the firm for the year.
24. Discuss briefly the Sub division of the journal.

(2×5=10)