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D – 2820

Reg. No. :

Name :

Fifth Semester B.B.A. Degree Examination, December 2017
Career Related First Degree Programme Under CBCSS
Open Course
BM – 1551.4 : FUNDAMENTALS OF FINANCIAL ACCOUNTING
(2014 Admission Onwards)

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **all** questions in **one** or **two** sentences. **Each** question carries **1** mark. **(10×1=10 Marks)**

1. What do you mean by Accounting ?
2. Capital is shown on the liability side of Balance Sheet. Write a note on liability.
3. Who is a Creditor ?
4. What is petty cash book ?
5. What is double entry ?
6. What is Posting ?
7. Briefly explain the meaning of current liability.
8. What is capital expenditure ?
9. What is a Bank Reconciliation Statement ?
10. What is Contra Entry ?

SECTION – B

Answer **any 8** questions. **Each** question carries **2** marks. **(8×2=16 Marks)**

11. Explain imprest system.
12. Write a note on dual aspect principle.
13. Balance Sheet is considered as a statement. Why ?
14. Write Journal Entries :
 - i) Goods given as samples
 - ii) Brought in capital

P.T.O.



15. Explain trade discount.
16. Briefly explain purchase returns book.
17. What is order of permanence ?
18. Give a brief note on cash book with cash and bank columns.
19. Bring out the various advantages of accounting.
20. Differentiate book of original entry and ledger.
21. What is Trial Balance ?
22. Briefly explain :
 - i) Going concern concept
 - ii) Consistency Assumption.

SECTION - C

Answer any 6 questions. Each question carries 4 marks.

(6×4=24 Marks)

23. State the features of Trial Balance.
24. Name the account to be debited and credited and give reasons
 - a) Purchase furniture
 - b) Sold Machinery
 - c) Purchase goods from a supplier
 - d) Sold goods to a customer
25. Briefly explain accounting equation.
26. Enter the following transactions in the Purchases Returns Book of Salim Agencies:
2016
 - Jan. 6 Returned to M/s Light House Electricals
2 Crompton fans of Rs. 800 each
 - Jan. 29 Returned to M.C. and Co.
2 electrical heaters @ Rs. 400
2 electric stoves @ Rs. 120
27. From the following information, prepare a Trading Account as on 31st December 2015.

Opening stock	14,000	Purchases	36,000
Sales	92,000	Sales Returns	2,000
Purchases Returns	3,000	Wages	4,000
Carriage inwards	2,500	Power and Fuel	1,400
Manufacturing Expenses	1,600	Closing Stock	15,000



28. Enter the following in a Single Column Cash Book (p.g.9.1 Illus.5)

2016

April 1	Cash in Hand	50,000
April 5	Cash Purchases	10,000
April 8	Cash Sales	8,000
April 10	Received from Mohan	10,000
April 15	Purchased Furniture	5,000
April 22	Paid wages	2,000
April 25	Received Commission	1,000
April 30	Paid rent	6,000

- 29. Explain the various types of Petty Cash books.
- 30. Bring out the need for preparing a Balance Sheet.
- 31. Discuss the procedure for balancing an account.

SECTION – D

Answer any two questions. Each question carries 15 marks. (2×15=30 Marks)

- 32. What is Accounting? Explain the various assumptions and principles of accounting.
- 33. Following Trial Balance is prepared on March 31, 2016 from a Trader's Book.

Particulars	Dr. (Rs.)	Cr. (Rs.)
Opening Stock	25,000	
Furniture	8,000	
Plant and Machinery	1,40,000	
Additions to Plant and Machinery (1-10-2015)	10,000	
Debtors	30,000	
Wages	12,000	
Salaries	20,000	
Bad Debts	1,000	
Purchases	1,20,000	
Electricity charges	1,200	
Telephone charges	2,400	
General expenses	3,000	
Postage and Telegrams	1,800	
Returns Inwards	900	
Insurance Premium	1,500	



Cash in hand	2,500	
Cash at Bank	40,000	
Sales		2,27,800
Commission		500
Return Outwards		1,000
Creditors		40,000
Capital		1,50,000
Total	4,19,300	4,19,300

Taking into consideration the adjustments given below, prepare Trading and Profit and Loss Account for the year ended 31st March 2016 and Balance Sheet at that date.

- i) Closing Stock Rs. 7,000
 - ii) Outstanding salaries Rs. 1,400 and outstanding wages Rs. 600
 - iii) Insurance paid in advance Rs. 200
 - iv) Charge depreciation on fixed assets at 5%.
34. Prepare an analytical Petty Cash Book on the imprest system from the following :
2016

Jan. 1	Received Rs. 20,000 for Petty cash	
2	Paid bus fare	100
2	Paid cartage	500
3	Paid for postage and telegram	1,000
3	Paid wages for casual labourers	1,200
4	Paid for stationery	800
4	Paid auto charges	400
5	Paid for repairs to chairs	3,000
5	Paid bus fare	200
5	Paid cartage	800
6	Paid for postage and telegram	1,400
6	Paid for conveyance charges	600
6	Paid cartage	600
6	Paid for stationery	400
6	Paid for refreshment to customers	1,000

35. What is Bank Reconciliation Statement ? Bring out its need and importance. Explain various reasons of difference between balances as per cash book and pass book.