

**B B A DEGREE END SEMESTER EXAMINATION - OCT. 2020 : FEBRUARY 2021****SEMESTER 1 : INTEGRATED MARKETING AND NEW MEDIA****COURSE : 20U1CRBBA2 : BUSINESS ACCOUNTING***(For Regular - 2020 Admission)*

Time : Three Hours

Max. Marks: 60

**PART A****Answer All (1 mark each)**

1. What is IFRS?
2. What is liability?
3. What do you mean by systematic records in accounting ?
4. What is a Personal Account? Give an Example
5. How do you calculate net profit?
6. What is closing stock?
7. What is amortisation?
8. A Machinery was purchased for 50000 and paid carriage 2000 and erection charges 3000. What is the cost of the Machinery?

**(1 x 8 = 8)****PART B****Answer any 6 (2 marks each)**

9. Explain the Principle Realization
10. What are the advantages of ledger?
11. What do you mean by rectification of errors?
12. What is a Suspense Account?
13. What is Share holder's equity?
14. A Machinery was purchased for 80000. Depreciation provided 10% on original cost for three years. Calculate the book value.
15. Calculate Profit:  
Opening Capital 125000, Closing Capital 160000, Drawings 25000, Additional Capital 25000
16. What do you mean by Gateway of Tally ?

**(2 x 6 = 12)****PART C****Answer any 4 (5 marks each)**

17. Explain the relevance of Consistency principle in accounting. State the situations where the accounting policies and methods can be changed
18. Write the adjustment entries for:
  - a) Rent Outstanding ₹7000
  - b) Depreciation on Building ₹5000
  - c) Interest accrued ₹400
  - d) Write off Bad debts ₹800
  - e) Create Provision for Bad debts ₹1500
19. From the following information prepare trial balance of Mr. Joseph as on 31/12/2018  
Opening stock 20000, Sales 122000, Purchases 86000, Carriage 5000, salary 16000, Discount 800, Postage 200, Advertisements 4000, Capital 50000, drawings 10000, Commission received 6000, Interest Received 6000 Purchase Return 4000, Sales Return 9000  
Insurance 5000, depreciation 7000, Plant and Machinery 80000, Debtors 20000, Creditors 22000, Loan 40000.
20. What are the Causes of Depreciation?
21. RST & Co purchased a machinery on January 1, 2005 at a cost of 95000 and spent 5000 for carriage and erection charges. On July 1, 2006 it purchased another Machinery for 30000. and on October 1, 2018 another Machinery was purchased for 2000. Provide depreciation at 15% on Original cost. Show Machinery Account for four years.
22. How to install tally software. What are the hardware requirements ?

**(5 x 4 = 20)**

**PART D**  
**Answer any 2 (10 marks each)**

23. Define Accounting. State various objectives of Accounting. What are the different branches of Accounting?
24. The following is the Trial Balance of Mr. Gopal as on 31/12/2017

Particulars	Amount	Particulars	Amount
Capital	65000	Purchases	90000
Salary	12000	Returns Inwards	4000
Wages	5000	Debtors	30000
Return Outwards	5000	Loan	20000
Creditors	50000	Commission Received	5000
Plant and Machinery	40000	Sales	150000
Land and Building	100000	B/P	6000
Discount received	1000	Discount allowed	2000
Opening Stock	5000	Cash at Bank	10000
Cash	7000	Carriage Outwards	10000
Carriage Inwards	2000		
Drawings	5000		

Prepare Trial Balance as on 31/12/2017.

25. The following balances were extracted from the books of Thomas as on 31st March, 2018

Particulars	₹	Particulars	₹
Purchases	75,000	Capital	60,000
Returns inward	2,000	Creditors	30,000
Opening stock	10,000	Sales	1,20,000
Freight inwards	4,000	Returns outward	1,000
Wages	2,000		
Investments	10,000		
Bank charges	1,000		
Land	30,000		
Machinery	30,000		
Building	25,000		
Cash at bank	18,000		
Cash in hand	4,000		
	<b>2,11,000</b>		<b>2,11,000</b>

Additional information:

- Closing stock Rs. 9,000
- Provide depreciation @ 10% on machinery
- Interest accrued on investment Rs. 2,000

Prepare trading account, profit and loss account and balance sheet.

26. Rahul keeps his book under single entry system and the following information is available: He has drawn out of the business Rs.500 during the year. Prepare a statement showing his profit/ loss for the year ended 31st December 2016 after writing off 10% depreciation on machinery and making a provision for bad and doubtful debts at 5% on sundry debtors

	2015	2016
Stock	22000	37000
Debtors	38000	31000
Creditors	23000	27000
Cash	18000	11000
Machinery	40000	50000

**(10 x 2 = 20)**