

Sl. No. 78

BBAL 2105

No. of Printed Pages : 07

Following Paper ID and Roll No. to be filled in your Answer Book.

PAPER ID : 29105

Roll
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Int. LL.B Examination 2016-2017

(Special Carry Over paper)

(First Semester)

FUNDAMENTAL ACCOUNTING

Time : 3 Hours]

[Maximum Marks : 60

Note :- Attempt all questions.

SECTION - A

1. Attempt all parts of the following : $8 \times 1 = 8$

- (a) Define the objective of Accounting.
- (b) Define the Accounting cycle.
- (c) Define capital.
- (d) Define the types of shares.
- (e) Define Hire purchase system.
- (f) What is Bank reconciliation system?

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(g) 'Ratio describe the financial Health of the firm'
Describe.

(h) Describe various elements of cash flow elements?

SECTION - B

2. Attempt any two parts of the following : $2 \times 6 = 12$

(a) A and Co. commenced business on January, 12005 with a cash balance of Rs 2,000 as capital. It had the following cash trans actions for the month of February 2005, prepare the cash book.

	Rs
Jan 1. Purchased furniture	200
2. Purchased goods	300
3. Sold goods	400
6. Paid to B and CO.	500
Allowed discount	20
15. Rceived from C and Co.	600
Allowed discount	30
20. Purchased calculator	200
31. Paid Salaries	500

(b) According to the bank column of the cash book of B and Co. there was as bank balance of Rs 3,000 overdrawn as on December 31, 2005. On investigation. It is found that.

(i) A cheque for Rs 3,000 was deposited with the balance but not get collected.

(ii) A cheque for Rs 5000, was issued but not yet presented.

(iii) A dividend of Rs 700 directly collected by the bank has not been recorded in the cash book.

(iv) Bank charges of Rs. 500 have not has been recoded in the cash book.

(v) A cheque of Rs. 15,000 had been dis honoured by the bank, but no entry has been made in the cash book.

(c) 'A' Ltd. purchased machinery worth Rs. 90,000 with Erection and installation charges Rs. 6,000 and Rs 4,000 repectively the estimated life of the asset in supposed to be 10 years. At the end of 10 years the scrap value of the asset will be Rs.

26,000. Prepare a plant account for four years by using straight line method.

- (d) Differentiate between cash flow and fund flow statement.

SECTION - C

Note: Attempt all question. Attempt any two parts from each questions. $2 \times 6 = 12$

3. (a) What are Intangible Assets? Discuss its features?
 (b) Differentiate between cash and Mercantile System of Accounting.
 (c) Pass A compound journal entry in each of the following Hypothetical cases.
- (i) Payment made to Ram Rs. 1000. He allowed a cash discount of Rs. 50.
 (ii) Cash Received from Suresh Rs. 800 and allowed him Rs. 50 as discount.
 (iii) A running business was purchased by Mohan with the following assets and liabilities.

Cash Rs. 2,000 land Rs. 4,000 Furnitures Rs. 1000 stock Rs. 2000 creditors Rs. 1,000 bank Over Draft Rs. 2000.

4. (a) Show Accounting Equations on the basis of following transactions.

Particular	Rs
(i) Laxman started business with cash	20,000
(ii) He purchased goods on credit	8,000
(iii) He Purchased furniture for cash	2,000
(iv) Purchased goods from Mukesh	300
(v) Received dividend	200

- (b) What is profit and loss account? What is the purpose of preparing profit and loss accounts?
 (c) The following details have been given to you for M/S X Ltd. for two years. You are required to find out the fixed assets turn over ratio and comment on it :

Particular	Rs.	Rs.
Fixed Assets at written down value	1,50,000	3,00,000
Sales less returns	6,00,000	8,00,000

5. (a) Explain the role of Ratio Analysis in the interpretation of financial statements. Examine the limitations of Ratio Analysis.
- (b) Define debentures and its types. Pass journal entries for issue of debentures.
- (c) Explain the Technique of preparing a cash flow statement with imaginary figures.
6. (a) A Ltd. issued 10,000 Equity Shares of Rs. 10 each payable in full on application. The company received application for 10,000 shares. Applications were accepted in full. Show the entries in the book of the company.
- (b) The following are extracts from the balance sheets of a company on two different dates.

Liabilities	31st Dec 07	31st Dec 08
Profit and loss A/C	50,000	80,000
Provision for taxation	10,000	15,000
Proposed dividends	5000	10,000

On the basis of above information calculate funds from operation.

- (c) Why adjustment entries are required to be made at the time of preparing final accounts Give illustrative examples of any four such adjustment entries.
