

Financial accounting QUESTION BANK (B.C.A)

1. Define accounting?
2. What is book keeping?
3. What is double entry system?
4. State the rules of accounting?
5. What is cost concept?
6. What is financial accounting?
7. What is cost accounting?
8. Explain the benefit of book keeping?
9. State the objectives of book keeping?
10. Explain the advantage of double entry system of book keeping?
11. What are the functions of financial accounting?
12. What are the objectives of accounting?
13. Explain the advantages of accounting?
14. Explain the different types of account and accounting rules?
15. Explain the accounting concept and convention?
16. Distinguish between book keeping and accounting?

(UNIT-2)

1. What is journal?
2. What is ledger?
3. Explain the characteristics of ledger?
4. Explain the rules for journalizing transaction?
5. From the following transaction give journal entries.

Business started with cash	Rs.2,50,000
Bought good for cash	Rs.25,000
Sold goods for cash	Rs.50,000
Cash withdrawn from bank	Rs.50,000
Paid salaries	Rs.15,000

6. Journalize the following transaction Rs

Commenced business with cash	180000
Deposited into bank	55000
Bought good from swaminathan	22000
Sold goods to vivek	10000
Purchased furniture for cash	4000
Paid wages	1800
Salary received	2000
Withdrew cash for private expenses	1480
Paid cash for stationery	150
Cash sales	15000

7. Journalize the following in the books of Praveen

2003

Dec1 commenced business with cash	2000
Goods	13000
Furniture	5000
2 sold goods to chandru	3000
5 purchased furniture	3200
7 paid wages	1200
9 sold machinery for cash	8000

13 received interest	300
14 rent paid	1500

8. On the 1.3.2001 a caterer started business with a capital in cash of Rs50000 during March his transaction were as follow

DATE	PARTICULAR	Rs
2001		
March	2 paid quarterly rent	2500
	4 purchased furniture for cash	5000
	6 bought equipment from Altd	3000
	8 paid wages	500
	11 bought provision from B ltd	1000
	14 sold meals for cash	750
	18 paid wages	600
	22 sold meals for cash	450
	26 paid wages	650
	29 paid A ltd	1000
	31 sold meals for cash	300

Enter the transaction in the caterer ledger..

9. Journalizing the following transaction and post them into the ledger of shri.srinivasan
2009

Jan 1	srinivasan started business with a capital	700000
8	cash sales	280000
14	goods purchased from sathya	472500
15	cash purchase	210000
16	sold goods to raghu	350000
17	paid cash to vetri	199500
22	cash received from raghu	203000
28	paid salaries	87500
29	paid telephone charges	19530
30	paid rent	56000

(UNIT-3)

1. From the following balance prepare trial balance

PARTICULAR	Rs
Capital	9000
Plant and machinery	120000
Purchase	8000
Sales	12000
Sundry creditors	8000
Bank loan	22000
Rent outstanding	1000
Opening stock	2000
Sales return	4000
Investment	14000
Debtor	12000

2. Prepare the trail balance as on 31.3.08 in the book of vali

PARTICULAR	Rs
Capital	249000
General expenses	97000
Machinery	118680
Wages	14400
Bad debts	1100
Sales	330720
Commission	5500
Bills payable	7700

Banko/d	28600
Discount	1210
Drawing	24000
Building	78000
Stock (1.4.07)	132400
Insurance	2610
Creditors	5000
Loan (cr)	75000
Purchase	210800
Reserve fund	15000
Cash in hand	25320

3. Prepare trail balance from the following ledger balance for the year ending 31.12.99

PARTICULAR	Rs
Capital	50000
Sales	177000
Return outward	50
Stock (1.1.99)	30000
Discount (CR)	800
Debtors	45000
Salaries	6800
Wages	10000
Bad debts provision	525
Advertisement	2000
Plant & machinery	80000

Purchase	60000
Return inward	1000
Discount (DR)	350
Bank charges	75
Creditors	25000
Carriage inward	750
Carriage outward	1200
Rent and taxes	10000
Cash in hand	900
Cash at bank	6000

4. What do you mean by rectification of errors?
5. What are the errors disclosed by trail balance?
6. Explain the term suspense account?
7. Explain the errors which are not disclosed by trail balance?
8. Explain different types of errors.
9. Rectify the following errors.

Rs 250 received in respect of a sales of goods was wrongly posted to furniture account
Rs 400 paid as salary to Mr.X. debited to his personal account
Purchase book overcast byRs 1000

10. Rectify the following errors

Sales to lakshman Rs 1800 has been recorded as Rs 1300
Wages paid Rs1225 has been recorded as Rs 1205

11. Rectify the following errors

Purchase day book under cast by Rs200
Sales day book is over cast byRs150
Purchase return book is totaled more by Rs25

Sales return book has been under cast byRs100

Sales book has been under cast byRs 500

12. The following errors were detected in the account of Mr.raja give journal entries to correct these errors

A builder bill for Rs 2700 for the erection of a small shed was debited to repairs account

A cheque for RS.300 received from rahim was dishonoured and debited to allowances account

Good worth Rs 150 returned by kumar were included in stock but no entry was made

Repairs to plant amounting to Rs 567 had been charged to plant &machinery account

A cheque for Rs75 received from ram was creditor to the account of deenan and debited to cash account

A sum ofRs100 drawn by the proprietor for personal use was debited to travelling expenses ccount

Typewriter sold to karuna for Rs 750 passed though sales book.

13. Calculate gross profit from the following data

PARTICULAR	Rs
Sales	300000
Sales return	10000
Purchase	100000
Closing stock	50000
Opening stock	20000

14. Calculate gross profit from the following data

PARTICULAR	Rs
Sales	420000
Return inward	10000
Sales	420000
Return inward	10000
Return outward	20000
Purchase	110000
Closing stock	30000
Opening stock	20000
Wages and expenses	200000

15. From the following calculate gross profit

PARTICULAR	Rs
Opening stock	14000
Purchase	36000
Sales	92000
Sales return	2000
Purchase return	3000
Closing stock	15000

16. Prepare profit and loss account for the year ending on 31.03.2004

PARTICULAR	Rs
Gross profit	25000
Salaries	5600
Insurance	200
Discount allowed	400
Discount received	300
Commission earned	100
Advertisement	450
Taxes	150
Printing charges	375
Travelling charges	500
Stationery	75
Rent	650
Interest on loan	225
Repairs	125
Office expenses	55
General expenses	875
postage	175

17. from the following balance taken from the books of ved &co. prepare trading and profit and loss account for the year ending 30th june 2002. And balance sheet as on that date.

Particulars	Rs
Capital	35000
Building	18750
Machinery	9250
Debtor	7000
General expenses	800
Rent paid	3710
Drawing	650
Electric charges	190
Carriage inward	850

Cash at bank	3000
Return inward	450
Return outward	110
Salaries	1100
Discount allowed	200
Stock (1-7-2001)	16500
Bills payable	5000
Sales	63500
Purchase	46850
Wages	2500
Cash in hand	1800
Sundry creditors	10000

18. From the following balance of Kumar as on 31.12.94 prepare final account

PARTICULAR	Rs
Capital	20000
Interest(DR)	750
Rent	325
Tax,insurance	75
Machinery	10000
Debtors	20000
Loan on mortgage	15000
Wages	15300
Stock(1.1.1994)	4500
Salaries	3600

Bills payable	2000
Loose tools	500
Bank balance(cr)	3450
Bills receivable	1500
Creditors	10000
Business premises	20000
Purchase	21000
Cash in hand	500
Office expenses	350
Sales	48200
Stationery	250
Closing stock	4000

(UNIT-4)

1. What do you understand by SUBSIDIARY BOOK?
2. What are the objectives of subsidiary book?
3. What is sales book?
4. What is cash book? What are the characteristics?
5. Explain the different kinds of cash book and their specific uses?
6. What is petty cash book?
7. What is cash book?
8. What is contra entry?

9. Record the following transaction In the purchase book of kishore and post them into ledger

DATE	PARTICULAR	Rs
2013		
Aug 1	purchased goods from naveen	1000
5	purchased goods from raghu varma	1500
6	purchased goods from vikram	2000
8	purchase from sulaiman	1800
9	purchase from manoharlal	1200
11	purchases machinery from ranadheer	7000
14	purchases from pramod	1400
17	purchase from siva sai enterprises	1200
22	purchases from noolkamal	1300
31	purchase from ram Prasad	700

10. Enter the following transaction in the proper subsidiary books of sri.Ramalingam stores post them to the ledger..

2014

Jan 1 bought goods from bharathiRs3000

2 elango supplied goods to us Rs600

4 saradha bought goods from us Rs600

7 sold goods to vanidhasan Rs 6000

9 velan sold goods to us Rs1000

14 returned goods to velan Rs100

17 saradha returned goods Rs300

29 cash sales Rs 300

11.enter the following transaction in the sales book

2007

May 6 sold to sundar

100 pieces long cloth @Rs80

100 pieces shirting @Rs45

Packing and delivery Rs.120

10 sold goods to saravanan

15 pieces coat clothing @Rs200

15 sold to sowndar

120 blanket @Rs85

110 blanket @Rs90

12. From the following particular prepare a two column cash book

2013

Jan 1 cash in hand	14000
1 cash at bank	12000
2 cash paid into bank	2500
3 cash sales	5200
5 credit sales to mother	4000
8 goods purchased for cash and cheque issued	6000
10 cash withdrawn from bank	1500
15 rent paid through cheque	900
20 goods sold to kannan received a cheque	2000
24 cash with drawn from bank for personal use	1100
31 machinery	2600

13. Prepare a three column cash book from the following particular

2008

Jan 1 cash in hand Rs1600 and bank overdraftRs1000

7 discounted a bill for Rs 5000 at1% through bank

9 paid into bank Rs1000

11 Ganesh who owed as Rs 200 become bankrupt and Ganesh paid us 50 paise in the rupee

20 withdrew from bank for private expenses 100

20 received repayment of loan Rs 3000 and deposited out of it Rs 2000 in the bank...

14. Enter the following transaction in the cash book with cash, bank and discount columns;

01.6.2007 cash in hand Rs 30000

Overdraft at bank Rs 40000

16.6.2007 received a cheque of Rs 980 from Mr. Prem and allowed him discount Rs 20

17.6.2007 deposited Mr. Prem cheque in bank

26.6.2007 the cheque received from Prem on 16.6.2007 was dishonored

15. Enter the following transaction in the cash book with cash

Bank and discount columns

1.6.2006 cash in hand Rs 18000

Overdraft at bank Rs 4000

16.06.2006 received a cheque of Rs 780 from Mr. Peter and allowed him discount Rs 20

17.06.2006 deposited Mr. Peter cheque in the bank

29.06.2006 the cheque received from Peter on 16.06.2006 was dishonored

16. Prepare a petty cash book and show the ledger account also

1996

Jan 1 cash received from the cashier	300
2 paid for stationery	20
Office expenses	15
Paid for postage	10
5 paid for papers and in	10
Paid for telephone bill	30
6 Paid for the staff tiffin	8
Paid for postage	15
Paid for office expenses	10

(UNIT-5)

1. What is bank reconciliation statement?
2. When can bank reconciliation statement is prepared?
3. List out any three reason for different between pass book and cash book
4. Bring down the causes for difference between balance shows by the cash book and pass book
5. The cash book of Anbu showed a balance of Rs 2500 on 23rd September 1993 this did not agree with the pass book from the following particular ascertain the balance as per pass book
 - (a) cheque paid in but not cleared by bank before 23.9.1993 Rs 500
 - (b) cheque issued in favour of customer but not presented prior to 23.9.1993 Rs 675
 - (c) Commission charged by bank not entered in cash book Rs 25
 - (d) Interest on government securities collected and credited by bank not yet entered in cash book Rs 400
6. Prepare bank reconciliation statement on 31st December 2008 of Mr. Gopal from the following particular
 - (a) Bank overdraft as per cash book Rs 5400
 - (b) cheques issued but not presented for payment during the year Rs 3300
 - (c) cheques deposited but not collected and credited by bank during the year Rs 2000
 - (d) Bank charges not recorded in the cash book Rs 100
 - (e) Interest charged by the bank not recorded in the cash book Rs 600
7. The cash book balance of Mr. Ram showed Rs 1500 on 20th September 2014 on the comparison with the pass book the following were noted
 - (a) cheques issued for Rs 185, Rs 100 and Rs 175 has not been presented for payment
 - (b) cheque deposited of Rs 410 into the bank has not been cleared.

Prepare the bank reconciliation statement to show balance as per pass book.

8. From the following balance prepare bank reconciliation statement

- (a) Balance as per cash book Rs12500
- (b) cheque issued but not presented for payment Rs900
- (c) cheque deposited in bank but not collected Rs1200
- (d) Bank paid insurance premium Rs500
- (e) Direct deposit by customer Rs800
- (f) Interest on investment collected by bank Rs200
- (g) Bank charges Rs50

9. Prepare bank reconciliation statement from the following details as on 31.3.2011

Balance as per pass book Rs18500

Cheque deposited but not credited by the bankers Rs5500

Insurance premium recorded in the pass book Rs500

Cheque issued but not presented Rs2000

Bank commission recorded in the pass book Rs50

Interest on securities directly collected by the bank Rs250

10. from the following information prepare a bank reconciliation statement as on 30th September 2010

- (a) Over draft as per cash book Rs12000
- (b) Cheque for Rs40000 were sent to the bank for collection but cheque for Rs25000 only had been collected and credited
- (c) cheques worth Rs30000 were issued but cheques for Rs 18000 only were presented for payment
- (d) Bills discount with bank for Rs30000 has honored
- (e) A customer paid Rs28000 directly into the bank account
- (f) Bank charged interest Rs250 on overdraft
- (g) a cheque for Rs5000 from a customer correctly recorded in the cash book but was omitted to be sent to the bank for collection

(h) Fire insurance premium paid by bank under instruction Rs2000 not recorded in cash book.

11. Prepare a bank reconciliation statement from the following data on 30.11.2002

(a) Balance as per bank pass book overdraft Rs9204

(b) cheques drawn on 30.11.02 but not cleared till December 2002 Rs3225, Rs745 and Rs926

(c) Bank overdraft interest charged on 28.11.2002 not entered in the cash book Rs1610

(d) cheques received amounting to Rs35 entered in cash book twice

(e) cheques received on 29.11.2002 entered in cash book but not deposited into bank
Rs11322 and Rs1730

(f) a periodic payment by bank for Rs80 understanding instruction not entered in the cash book

(g) cheque deposited on 30.11.02 discount but the entry was not made in the cash book Rs1890