SEM:1 1 - 20/02/2017 FYFM SUB: FIN. ACCOUNTING Q1. (A) State whether the following statements are True or False. (Any 8) Capital Expenditure is recurring in nature. Bank Account is Real Account. Trial Balance is a part of final account. Building is an intangible asset. Profit & Loss A/c is prepared at the beginning of the year. (8) Opening Stock of Finished Goods is transfer to Manufacturing A/c. 7. Every business transaction has two effects. 8 Debtors are fixed assets. An outstanding expense is a liability. 10. Depreciation is a loss. (7)lively Q1. (B) Match the following. (Any 7) Group B Group A A. Intangible Assets 1. Capital B. Capital Receipts (5)2. Managers Salary C. Fixed Assets 3. Amount withdrawn from Business (5)D. Excess of assets over a liability 4. Goodwill E. semi-finished goods 5. Machinery F. Sales Return 6. Sale of Furniture te (8) G. Manufacturing A/c 7. Recoverable H. Drawing 8. Office Rent paid I. Profit & Loss A/c Debit Side 9. work-in-progress J. Capital Expenditure 10. Return inward (7) Q2. Journalised the following transaction for the month of April 2014. 1. Invested Rs. 5,00,000 into the business. (5) Purchased a machinery for Rs. 1,00,000. Wages Paid Rs. 5,000. Sold goods worth Rs. 2,00,000. 5. Commission paid Rs. 1,200. 6. Salary paid to Mohan in cash Rs. 10,000. (5) 7. Sold Goods for Rs. 50,000 to Mr. Sawant. 8. Received Rs. 45,000 from Mr. Sawant. 9. Took loan from Mrs. Shalini of Rs. 50,000. 10. Purchased Goods worth Rs. 30,000 on cash. 11. Paid commission Rs. 500. 12. Old typewriter of Rs. 1,500 is stolen. 13. Purchased securities worth Rs. 20,000. 14. Paid Rs. 52,000 to Mrs. Shalini as repayment of Loan. (15)15. Paid Income Tax Rs. 1,000 OR Q2. From the following information, draw up the Trial Balance as on 30th June 2013 (15)Particulars Rs. 6,71,000 Purchases 1,50,000 Building 1,00,000 Plant & Machinery Capital 8,00,000 7,00,000 Sales 70,000 Debtors 10,000 Rent 75,000 Creditors 5:000 Carriage inward 10,000 Insurance 2,000 Discount Received 5,000 Bad debts

Advertisement	7,000
Bills payable	4,500
Salary	25,000
Drawings	20,000
Outstanding Expenses	3,000
Bills receivable	10,000
Prepaid Expenses	12,500
Carriage outwards	1,500
Cash	1,00,000
Bank	3,00,000
Loan	1,00,000
Purchase return	1,500
Reserve for doubtful debts	1,000

Q3. Machinery makers ltd. purchased a machinery for Rs. 5,00,000 on 1st January 2005. Another machine was purchased on 1st October 2006 for Rs. 2,40,000. The first machine was sold as 30th June 2007 for Rs. 3, 44,00 The company charges depreciation under the SLM @10% p.a. the accounting year ends on 31st December every year. You are required to show machinery A/c and depreciation A/c.

Q3. Tata Ltd. purchased Furniture worth Rs. 40,000 on 1st April 2011. He charges depreciation @ 10% p.a. on reducing balance method every year. On 1st July 2013 he sold out a part of furniture for Rs. 4,000, the original cost of which on 1st April 2011 was Rs. 8,000. The financial year ends on 31st March every year. You are required to prepare furniture account for first four years and also depreciation account Q4. From the following trial balance of Ankita & co Ltd. prepare manufacturing final account for the year

Particulars	Rs.	Particulars	15
Opening stock: Raw Material Work-in-progress Finished goods Debtors Carriage inward Bills Receivable Wages Salaries Telephone charges Postages Repairs to plant Repairs to office furniture Purchases Cash Plant & Machinery Furniture Rent Lighting General Expenses	46,000 20,000 31,000 54,000 3,000 24,000 20,000 1,000 2,400 1,200 2,00,000 24,000 1,80,000 18,000 18,000 10,000 2,600 3,200 6,77,400	Creditors Bills Payable Sale of Scrap Commission RDD Capital Sales Current Account	34,000 17,000 3,000 700 3,300 2,00,000 4,00,000 19,400
justments;			338700

1. Closing Stock of Raw Material Rs. 31,600, Finished Goods Rs. 36,400, Semi-finished goods Rs. 14,000.

2. Outstanding salary Rs. 2,000 & Wages Rs. 6,000.

3. Depreciation on Machinery @ 10% & Furniture @ 5%.

4. Create RDD @ 10% p.a. on Debtors.

Lighting is to be charged to office Rs. 600 and remaining Rs. 2,000 to factory. (15)

Q4. A and B were partners sharing profit & losses in the ratio of 2:3. Their trial balance as on 31st March 2015

Particulars	D			
- un treating	Rs.	Particulars	Re	7
			110.	П

Purchases Patents Building Stock (1st April 2014) Printing & Stationery Debtors Wages & Salaries Audit fees Travelling Expenses Furniture 10% investment (purchased on 30st Sept. 2014) Cash PF contribution Carriage Inward Trade Expenses	1,96,000 8,000 2,00,000 30,000 3,500 70,000 22,000 1,400 7,000 16,000 20,000 8,500 1,600 2,600 5,400	A B Provident Fund Creditors Bank Loan	60,00 80,00 14,000 90,000 24,000 3,16,000 1,000 7,000
ustments:	5,92,000		5,92,000

- 1. Closing stock is valued at cost Rs. 30,000 while its market price Rs. 36,000.
- 2. On 31st March 2015 the stock of stationery was Rs. 1000.
- 3. Create RDD @ 5% on Debtors.
- 4. Depreciate Building @ 5% and Patents @ 10%.
- 5. Interest on Capital is to be provided @5%.
- 6. Goods worth Rs. 20,000 were destroyed by fire. The insurance company was admitted a claim of Rs.
- 7. You are required to prepare final account for the year ended 31st March 2014. Q5. State whether the following are Capital, Revenue Expenses or income.
- 1. Purchased machinery costing Rs. 5, 00,000.
- 2. Purchase of stationary.
- 3. Purchase of motor car Rs. 1,00,000.
- 4. Salary paid Rs.20, 000.
- 5. Commission received Rs. 30,000.
- 6. Wages paid for installation of new machinery.
- 7. White washing of factory building.
- 8. Repairs of a cinema screen.
- 9. Loan taken from Bank Rs. 1,00,000.
- 10. Sold machinery costing Rs. 1,00,000.

(15)

(15)

(15)

Q5. Write Short Notes. (Any 3)

- 1. Manufacturing Account.
- 2. Capital Expenditure.
- 3. Depreciation.
- 4. Types of Accounts & their classification.
- 5. Fixed Capital Method.