Class: FYFM SUB: FIN. ACCOUNTING SEM : 1 ① - 20/02/2017

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Q1. (A) State whether the following statements are True or False. (Any 8) (8)

1. Capital Expenditure is recurring in nature.
2. Bank Account is Real Account.
3. Trial Balance is a part of final account.
4. Building is an intangible asset.
5. Profit & Loss A/c is prepared at the beginning of the year.
6. Opening Stock of Finished Goods is transfer to Manufacturing A/c.
7. Every business transaction has two effects.
8. Debtors are fixed assets.
9. An outstanding expense is a liability.
10. Depreciation is a loss.

Q1. (B) Match the following. (Any 7) (7)

Group A	Group B
1. Capital	A. Intangible Assets
2. Managers Salary	B. Capital Receipts
3. Amount withdrawn from Business	C. Fixed Assets
4. Goodwill	D. Excess of assets over a liability
5. Machinery	E. semi-finished goods
6. Sale of Furniture	F. Sales Return
7. Recoverable	G. Manufacturing A/c
8. Office Rent	H. Drawing
9. work-in-progress	I. Profit & Loss A/c Debit Side
10. Return inward	J. Capital Expenditure

Q2. Journalised the following transaction for the month of April 2014.

1. Invested Rs. 5,00,000 into the business.
2. Purchased a machinery for Rs. 1,00,000.
3. Wages Paid Rs. 5,000.
4. Sold goods worth Rs. 2,00,000.
5. Commission paid Rs. 1,200.
6. Salary paid to Mohan in cash Rs. 10,000.
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. Paid Income Tax Rs. 1,000 (15)

OR

Q2. From the following information, draw up the Trial Balance as on 30th June 2013 (15)

Particulars	Rs.
Purchases	6,71,000
Building	1,50,000
Plant & Machinery	1,00,000
Capital	8,00,000
Sales	7,00,000
Debtors	70,000
Rent	10,000
Creditors	75,000
Carriage inward	5,000
Insurance	10,000
Discount Received	2,000
Bad debts	5,000

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 on 30th June 2007 for Rs. 3, 44,000. 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. (15)

OR

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. (15)

Q4. From the following trial balance of Ankita & co Ltd. prepare manufacturing final account for the year ended 31st December 2012

Particulars	Rs.	Particulars	Rs.
Opening stock:		Creditors	34,000
Raw Material	46,000	Bills Payable	17,000
Work-in-progress	20,000	Sale of Scrap	3,000
Finished goods	31,000	Commission	700
Debtors	54,000	RDD	3,300
Carriage inward	3,000	Capital	2,00,000
Bills Receivable	36,000	Sales	4,00,000
Wages	24,000	Current Account	19,400
Salaries	20,000		
Telephone charges	1,000		
Postages	1,000		
Repairs to plant	2,400		
Repairs to office furniture	1,200		
Purchases	2,00,000		
Cash	24,000		
Plant & Machinery	1,80,000		
Furniture	18,000		
Rent	10,000		
Lighting	2,600		
General Expenses	3,200		
	6,77,400		338700

Adjustments;

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

OR

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

Particulars	Rs.	Particulars	Rs.

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

Adjustments:

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. 16,000.
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. (15)

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.

OR (15)

Q5. Write Short Notes. (Any 3) (15)

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