

Note: (1) All questions are compulsory. (2) Figures to the right indicate marks allocated to each question.

Q.1. A) State Whether the following statement is True or False. (Any 8) (8)

1. Bookkeeping is the signs of recording transactions.
2. Capital expenditure is Non-recurring in nature.
3. Machinery is a Real Account.
4. Goodwill is an intangible asset.
5. Every business transaction has two effects.
6. Bank reconciliation is an account prepaid by the trader.
7. Bills Receivable Account is a Real Account.
8. Banking transaction are recorded only in the cash book.
9. There is no maximum limit to the number of partners in a firm.
10. Investment Account is a Personal Account.

Q.1 B) State whether the following are capital expenditure, revenue expenditure, deferred revenue expenditure, capital receipts or revenue receipts. (Any 7) (7)

1. Cost of construction of a building.
2. Heavy expenditure incurred on advertising.
3. Demolition cost of an old building.
4. Recovery of doubtful debts written off.
5. Sale of Furniture
6. Partial refund of capital to a partner
7. Cost of Goodwill.
8. Legal expenses incurred in connection with issue of ordinary shares.
9. Expenditure on training of employees.
10. Repairs of a Machinery.

Q.2. A) Give journal entries for the following transactions in the books of Nisha Ltd. (narrations are no required) (15)

Date	Particulars	Amount
Jan 1	Started Business with Cash.	25,000
4	Amount deposited in SBI.	5,000
10	Machinery Purchased for Business in Cash.	2,500
11	Installation and other Charges of Machine paid in Cash.	200
18	Goods Purchased from Vijay on Credit with 3% Trade Discount.	4,500
20	An Order received from Ram and Co. for Goods @ 2% T.D.	4,000
22	The above order was executed and goods sent to them Vide Bill.	?
23	Further Capital introduced in the Business.	5,000
24	Rent paid in Cash.	350
26	Minor repair expenses of the Machine.	250
29	Salary paid to Mr. Ajay by Cheque No. 54271111.	1,000
31	Goods sold for Cash @ 10% Cash Discount.	3,500

OR

Q.2. B) Enter the following transactions in the books of Mr. Bhawar in Cash and Bank columns for the month of November 2022. (15)

1. Cash Balance Rs.1,12,000
Bank Overdraft Rs.22,000.
3. Purchased goods for Rs.26,000 for cash at 2% cash discount
6. Received bearer cheque for Rs.26,500 from Govind traders.
9. Purchased 100 shares of Amar Ltd of 100 each at 110 each and paid by cheque immediately.
11. Sold goods of Rs.14,000 at 5% cash discount to Amol and he paid half amount immediately.
14. Deposited into bank Rs.22,000.
17. Received a crossed a cheque for Rs.36,000 from Ganesh Traders
20. Bank paid our telephone bill Rs.12,920.
21. Bank Paid charged Rs.1,080 as interest on overdraft..
22. Paid by cheque to Urmila Rs.16,000.
25. Deposited into Bank the cheque received from Govind Traders
27. Received a bearer cheque for Rs.6,920 for rent which was deposited into bank.
29. Bank informed that cheque received for rent was dishonoured.
30. Paid life insurance premium of Mr. Joshi 8,500 by cash and electricity bill 14,800 by cheque.

Q.3. A) A Company whose accounting year is the financial year purchased on 1st April, 2011; Machinery costing 30,000. It purchased further machinery on 1st October, 2011 costing ₹ 20,000 and on 1st October, 2012 costing 10,000.

On 1st April 2013; one-third of the machinery installed on 1st April, 2011, became obsolete and was sold for 3,000.

Show how Machinery Account would appear in the books of the company, it being given that Machinery was depreciated by Fixed Instalment Method at 10% p.a. and accounts being closed on 31st March every year. (15)

OR

Q.3. B) From the following Particulars of Mr. Suresh prepare an analytical petty cash book under imprest system for the month of August 2022. (8)

1	Cash Balance Rs.700. Advanced received from head cashier Rs.7,300.
3	Purchased Postal stamps Rs.350 and postal cards Rs.500.
5	Paid Virat Printers for printing the bill book Rs.1,100.
8	Paid railway freight Rs.880.

11	Purchase CFL Tubes Rs.1020.
14	Paid bus fare Rs.240
15	Sold old newspapers Rs.1,150
17	Paid coolie charges Rs.250
19	Gave tips to peon Rs.300
21	Paid to Mr. Siraj Rs.1,150

Q.3. C) Gautam hands over to you his books of accounts for the year ended 31st March, 2021 and also the following gross Trial Balance as on that date: (7)

Particulars	Debit (Rs.)	Credit (Rs.)
Customers	15,80,000	12,40,000
Suppliers	8,75,000	10,90,000
Fixed assets	2,55,000	42,000
Stock on 1/4/2020	1,00,000	-
Cash	2,45,000	2,43,000
Bank of India	8,90,000	9,50,000
Bank of Baroda	5,80,000	5,75,000
Purchases	9,00,000	25,000
Sales	30,000	13,00,000
Purchase returns	-	40,000
Sales returns	50,000	-
Expenses	60,000	-
Interest	50,000	-
Lenders	2,00,000	5,00,000
Advances to suppliers	2,65,000	55,000
Advances from customers	1,20,000	1,30,000
Capital	3,00,000	3,10,000

Gautam wants you to prepare his trial balance.

Q.4. A) From the following Trial Balance of Shri. Ashish, Prepare the Trading and Profit & Loss Account for the ended 31st March, 2021 and a Balance sheet as on that date: (15)

Particulars	Debit (Rs.)	Credit (Rs.)
Capital		38,000
Drawings	2,500	
Purchases	16,000	
Sales Return	400	
Purchase Return		900
Furniture	6,000	

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Sales Cash		12,000
Sales Credit		16,000
Buildings	12,000	
Stock on 1 st April, 2020	6,000	
Sundry Expenses	500	
Bills Payable		900
Commission Received		250
Rent, Rates and taxes	250	
Wages and Salaries	7,250	
Carriage Inwards	250	
Carriage Outwards	350	
Bills Receivable	800	
Travelling expenses	600	
Bad Debts	400	
Sundry Debtors	10,800	
Insurance Premium	300	
Postage	150	
Motor Car Expenses	1,200	
Cash in hand	880	
Sundry Creditors		4,380
Motor Car	5,800	-
	72,430	72,430

Closing Stock on 31st March, 2021 amounted to Rs.12,250 Market value of stock amounted to Rs.14000.

OR

Q.4. B) Ajay and Atul are partners sharing profits and losses 2:3. Their Trial Balance as 31st March, 2023 is given below.

You are required to prepare Trading and Profit & Loss Account for the year ending 31st March, 2023 and Balance sheet on that day after taking into account the given adjustments: (15)

Particulars	Debit (Rs.)	Particulars	Credit (Rs.)
Purchase	1,96,000	Capital	
Patent Rights	8,000	Ajay	60,000
Building	2,00,000	Atul	80,000
Stock (1-4-2022)	30,000	Provident Fund	14,000
Printing and Stationery	3,500	Creditors	90,000
Sundry Debtors	70,000	Bank loan	24,000
Wages and Salaries	22,000	Sales	3,16,000
Audit fees	1,400	Reserve for Doubtful Debts	500
Sundry Expenses	7,000	Purchase Returns	7,000

Furniture & Fixtures	16,000		
10% Investment (Purchase 30-9-2022)	20,000		
Cash	8,000		
PF Contribution	1,600		
Carriage Inwards	2,600		
Trade Expenses	5,400		
	5,91,500		5,91,500

Adjustments:

1. Closing Stock is valued at cost Rs.30,000 while its market price Rs.36,000.
2. On 31st March, 2023 the stock of stationery was Rs.1,000.
3. Reserve for Bad and Doubtful debts at 5% on Debtors.
4. Depreciate building at 5% and Patents at 10%.
5. Interest on Capitals is to be provided at 5%.
6. Goods worth Rs.20,000 were destroyed by fire. The insurance company admitted a claim for Rs.16,000.

Q.5. A) Distinguish between Book-keeping and Accountancy. (8)

B) Features of Double Entry Book Keeping System. (7)

OR

Q.5. Write Short Notes on (5 marks each): (Any 3 out of 5) (15)

1. Explain the Bank Reconciliation Statement.
2. Explain the Advantages of Cash Book.
3. Distinguish between: Capital Expenditure and Revenue Expenditure.
4. Explain the Rules of Debit Credit with Chart.
5. Explain the Objectives of Book Keeping.