

21/11/2019
VCD _____ FYBMS Intro. To Fin. Acctg Sem I Regular exam 75 marks 2½ hrs

Duration: 2:30 hrs

Total Marks: 75

- N.B. 1. All questions are compulsory carrying 15 marks each.
2. Working notes should form part of your answers wherever applicable.

Q. 1.

A) Select the correct alternatives and rewrite the sentence (ANY 8) (8)

1. _____ book is also called as return outward book.
a. purchase return b. sales return c. sales d. ledger
2. Rent account is _____ account.
a. impersonal b. personal c. real d. nominal
3. accounts related to property and assets are known as _____ account.
a. real b. fixed c. personal d. nominal
4. After balancing the ledger accounts _____ can be prepared.
a. journal b. purchase book c. trial balance d. final account
5. Proprietor's own account in the business is known as _____ account
a. personal b. capital c. variable d. owner
6. _____ books records all the transactions of credit sales.
a. cash b. petty cash c. sales d. purchase
7. _____ expenditure is the expenditure incurred in the regular course of business.
a. capital b. deferred revenue c. revenue d. normal
8. In _____ book all types of cash transactions are recorded.
a. subsidiary b. cash c. purchase d. trial balance
9. Under _____ method of depreciation amount of depreciation remains the same.
a. straight line b. reducing balance c. annuity d. FIFO
10. _____ elaborates on revenue recognition.
a. AS1 b. AS6 c. AS9 d. AS10

B) Write True or False (ANY 7)

(7)

1. Every transaction is recorded first in journal
2. Bank reconciliation statement is prepared by bank to confirm the accuracy of its balance
3. Revenue receipts are credited to profit and loss account
4. Trade discount is recorded in cash book
5. Cash account always show debit balance

6. As per dual concept every business transaction has double effect
7. Accounting standard 10 deals with accounting of fixed assets
8. Bank account is a real account

Q. 2

A)

Journalize the following transaction in the books of Krishna for the month of March, 2017 (7)

1. Started business with cash Rs. 50000 building Rs. 50000 and machinery Rs. 50000
2. Sold goods for cash Rs. 20000
3. Deposited into Bank Rs. 10000
4. Good sold to Ram Rs. 50000 at 5% trade discount
5. Receive commission of Rs. 1000
6. Paid wages and salaries by cash Rs. 1200
7. Paid Life Insurance Premium Rs. 1000

B) Prepare bank reconciliation statement

From the following particulars as on 31st march 2014 of Mr Rai

- Bank balance as per cash book as on March 31st 2014 Rs. 15000
- Cheques amounting to Rs. 4000 deposited in the bank but collected Rs. 3000 only
- Cheques amounting into Rs. 4000 issued to the creditors out of which 2000 only presented for the payment
- A debtor deposited cash directly in the bank Rs. 9000
- Bank credited Rs. 1000 for interest but not yet enter in the cash book
- As per the instruction Bank collected a dividend of Rs. 1500 through ECS

OR

Q. 2 Prepare three column cash book from the following September 2017

(15)

1. Cash balance Rs. 1700
- Bank overdraft Rs. 5600
5. Received from Dinanath cash Rs. 750 and a cheque of Rs. 860 in full settlement of Rs. 1650
7. Paid for office rent by cheque Rs. 500
8. Paid for wages in cash Rs. 250
9. Sold goods for cash Rs. 1500 and received half the amount in cash and half by cheque which is deposited in the bank
10. Bank passbook states that the bank has collected interest on investment Rs. 660
12. Checks received on 5th paid into Bank
15. Transfer Rs. 3000 from fixed deposit to current account
20. Drew for personal use cash Rs. 250 and check of Rs. 375
25. Made cash purchases and paid by cheque Rs. 1595
- 30 paid Dinesh Rs. 800 by cheque.

Q. 3

A) Prepare the ledger: Goods, Cash

Jan 2017

1. raj borrowed Rs. 100000 from bank

(7)

2. raj deposited Rs. 8000 with Bank of Baroda
3. Raj purchased goods from Nayan and paid 1000 in cash on account
4. Raj paid the commission to Narendra Rs. 50
5. Raj sold goods to Tambe worth Rs. 2000 for cash.

B)

Mr. shukla Purchased furniture worth Rs. 20000 on 1/4/2010. He charges depreciation at the rate of 10% on the reducing balance method. 1/7/2012 he sold out a part of furniture for Rs. 2000 the original cost of which on 1/4/2010 was Rs. 4000. The financial year of Mr. Shukla ends on 31st March every year. You are required to prepare his furniture account for the first 4 years. (8)

OR

Q. 3. State with reason the nature of following expenses /receipts. (15)

1. Cost of repainting the office building
2. Gave Rs. 100000 as a custom duty on machinery purchased
3. Import duty on raw material purchased
4. Purchase machinery for Rs. 60000
5. Cost of land purchased
6. Heavy expenditure incurred on advertisement
7. Rs 30000 spent on repairing the second hand machinery before installation
8. Legal expenses incurred in connection with issue of capital

Q. 4

A) Rectify the following errors (7)

1. Goods withdrawn by proprietor for gift to his son on his birthday is debited to sundry expenses account Rs. 50.
2. Goods purchase for Rs. 100 from Mr. Rituraj have been wrongly entered through the sales book but correctly credited to Rituraj's account in Ledger
3. Salary payment of Rs. 300 has been posted twice in salaries account
4. Purchase of goods from Mahesh and company for Rs. 200 has been debited to furniture account
5. Purchase of goods of the value of Rs. 150 has been wrongly recorded in purchase book as Rs. 105
6. Rs. 500 paid as a deposit for registering a scooter for office is charged to purchase account
7. Cost of materials Rs. 3000 and labor charges Rs. 1500 for making furniture are debited to wages account

B). From the following information of Mr. ASHMIT on 31-12-2016 you are required to prepare net trial balance (8)

Particulars	Dr. Rs	Cr. Rs
Closing Stock	37800	---
Sales	37500	375000
Purchases	250000	25000
Creditors	2000	80000
Debtors	120000	3000
Bills receivables/Bills payables	31200	27300

Wages and salaries	14400	---
Rent, Rates and Taxes	10800	---
Miscellaneous expenses	4500	---
Furniture	14730	---
Cash at bank	90870	---
Capital	3500	107000
	617300	617300

OR

Q. 4.

(15)

From the following trial balance as on 31/3/2014, you are required to prepare manufacturing, trading and profit and loss account and balance sheet of M/s. S. R.K. Trading co. for the year ended 31/3/2016.

Particulars	Dr. Rs.	Cr. Rs.
Capital a/c		440000
Drawing a/c	38000	
Land	20000	
Building	50000	
Plant and machinery	100000	
Loose tools	10000	
Bills receivable and bills payable	20000	60000
Bank balance	16000	
Cash on hand	1000	
Opening stock (raw material)	40000	
Purchases of raw materials	1100000	
Sales of finished goods		1480000
Returns	14000	10000
Wages	66000	
Carriage inward	6000	
Carriage outward	6600	
Power and fuel	17200	
Salaries	44000	
Rent	2200	
Discount		500
Debtors and creditors	449000	90000
Advertisement expenses	5000	
Bad debts	1000	
Water charges	4800	
Stores	2000	
Furniture	4000	
Stationary and printing	4000	
General expenses	35800	
Insurance	7700	
Repairs to machinery	3200	
Extension to building	12000	

Q. 5

A) Explain the importance of accounting?

(7)

B) Explain the advantages of computers in accounting?

(8)

OR

Q. 5 write short notes (any three)

(15)

a) IFRS

b) Dual aspect

c) AS 6

d) Book keeping

e) Straight Line method

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