

FYBMS sem-I Regular.

29/11/18.

Paper / Subject Code: 81901 / Introduction to Financial Accounts.

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(265)

Pages: 06.

10.30 - 1.00 pm.

Q.P. Code :00122

[Time: 2 $\frac{1}{2}$ Hours]

[Marks:75]

Please check whether you have got the right question paper.

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

Q.1) A) Select the correct alternative and rewrite sentence:- (ANY 8)

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_____ is an explanation of the entry at the end of the entry.

- a) Posting b) Journal Entry c) Narration d) Ledger

Drawing a/c is a _____ A/c.

- a) Personal b) Real c) Private d) Nominal

A bank Reconciliation statement is prepared to reconcile the difference in _____.

- a) Only cash book b) Only pass book c) cash book & pass book d) Neither of the three

_____ Accounting standards deals with accounting for revenue recognition.

- a) AS 9 b) AS 10 c) AS 6 d) AS 1

Revenue expenditure is _____ expenditure.

- a) Abnormal b) Recurring c) Non-recurring d) Wasteful

Under _____ method, depreciation is calculated on written down value.

- a) Scrap method b) Straight line method c) Reducing Balance d) Fixed installment

Temporary difference in trial balance is transferred to _____ account.

- a) Suspense b) Profit & Loss A/c c) Compensating d) Commission

Trial balance is a _____.

- a) A statement b) A Subsidiary book c) An Account d) A reconciliation

Gross profit is transferred to the _____ A/c.

- a) Trading A/c b) Profit & Loss A/c c) Final A/c d) None of the above.

IFRS _____ Deals with financial Instruments.

- a) 4 b) 6 c) 9 d) 12

B) Match the following (ANY 7)

| A | B |
|-------------------------|---|
| 1) Machinery A/c | a. Insurance contract |
| 2) Journal | b. Depreciation Accounting |
| 3) IFRS 4 | c. Debit note no |
| 4) Purchase Return book | d. A book of daily Records |
| 5) AS-6 | e. Capital expenditure |
| 6) Repairs to plant | f. Real a/c |
| 7) Depreciation | g. Recording same transaction two times |
| 8) Error of duplication | h. Revenue expenditure |
| | i. Fixed assets |

Q.2) A) Journalise the following transactions in the books of SURYA for JAN. 2017.

Jan. 1 Started business with cash Rs.60, 000.

Jan. 9 Paid Rent by cheque 7,000.

Jan. 18 Sold goods worth Rs.40, 000 to Yash @10% T.D. & 5% C.D. & received cash immediately.

Jan. 21 Deposited Rs.9, 000 in state bank of India.

Jan. 27 Cheque received from Mr. Jay of Rs.10, 000 deposited into the bank but dishonored.

Jan. 30 Paid Insurance Premium Rs.500.

B) Prepare a Bank Reconciliation Statement of MOON as on 31st Jan, 2017 from the following particulars. 08

| Particulars | Rs. |
|---|--------|
| 1. Cheques banked but not cleared | 1,800 |
| 2. Cheques issued but not encashed | 1,400 |
| 3. Interest on Investments collected by bank | 240 |
| 4. Interest on Overdraft charged by bank | 150 |
| 5. Bank Charges entered in Pass book | 15 |
| 6. Bank Overdraft as per cash book as on 31.12.2017 | 10,000 |
| 7. Balance Overdraft as per cash book on that date | 10,325 |

Q.2)

Enter Following transaction in a cash with cash, bank and Discount columns and balance the cash book.

2017

Jan.1. Opening cash balance Rs.3,500

1. Bank Overdraft Rs.2000

2. Introduced further cash Rs.7,000 in the business

4. Deposited Rs.5,000 into the bank

6. Received a cheque from Maya for Rs.1,170 in full settlement of Rs.1,200

7. Issued a bearer cheque for children school fees Rs.2,000

10. Issued cheque of Rs.980 of Meena in full settlement of her a/c of Rs.1,000

11. Received a cheque of Rs.500 from Mona on account.

12. Endorsed Mona's cheque in favour of Leena to settle her a/c.

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- 14. Cash purchases Rs.800
- 18. Cash Sale Rs.700.
- 20. Purchased furniture worth Rs.2,000 for office use & paid by cash.
- 24. Paid salaries Rs.700, Rent Rs.150, Commission Rs.200 in cash.
- 27. Bank collected dividend Rs.100 and credited in our a/c.
- 31. Deposited all the cash in excess of Rs.1,000

Q.3 A) Prepare Personal Account of SIYA from the following transactions.

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| Date | Particulars | Rs. |
|--------|---|-------|
| 2017 | | |
| Jan.1 | Debit balance on Siya's a/c. | 1,000 |
| Jan.2 | Sold goods on credit to Siya | 5,400 |
| Jan.6 | Received from Siya | 6,300 |
| Jan.7 | Allowed her discount | 100 |
| Jan.9 | Siya bought goods on credit | 1,500 |
| Jan.12 | Received cash from Siya | 1,450 |
| Jan.13 | Allowed her discount | 50 |
| Jan.15 | Purchased goods on credit from Siya | 1,040 |
| Jan.18 | Paid cash to Siya | 500 |
| Jan.21 | Returned goods to Siya | 140 |
| Jan.31 | Paid cash to Siya in full settlement of her account | 390 |

B) Mr. Goyal furnishes you with the following information.

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1. Opening Balance in Machinery Account Rs.1,00,000 on 1st Jan.2017.
2. On 1st April, 2017; he purchased Machinery worth Rs.50,000.
3. On 1st May, Machinery purchased on 1st Jan, 2016; for Rs.50,000 was sold for Rs.40,000.
4. On 1st Oct, Machinery purchased on 1st April.2017; was sold for Rs.47,500.
5. Depreciate Machinery at 10% on W.D.V. basis machinery held for part of the year is depreciated for the time it is held.

Prepare Machinery Account for the year ended 31.12.2017.

Q.3)

OR

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State with reasons the nature of following Expenses/Receipts

- a) Gave Rs.1 lakh a custom duty on the machinery imported.
- b) Cost of re-painting the factory shed.
- c) A sum of Rs.99,500 was spent for dismantling, removing & reinstalling plant, Machinery & Fixtures.
- d) Import duty on raw material purchased.
- e) Purchased machinery for Rs.15,000.
- f) Legal expenses incurred in connection with issue of capital.
- g) Cost of Goodwill purchased.
- h) Heavy expenditure incurred on advertisements.

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Q.4) A) Rectify the following errors.

- 1) Rs.3,000 paid for purchase of typewriter charged to stationary account.
- 2) Wages paid Rs.1,800 for erection of new Machinery were posted to wages A/c.
- 3) Paid Rs.150 for the purchase of a table fan posted purchase A/c.
- 4) An amount of Rs.400 received on account interest was credited to commission Account.
- 5) 100 shares of Oswal Oil Ltd purchased @Rs.50. Each not recorded in the books.
- 6) An amount of Rs.500 withdrawn by the proprietor for his personal use was debited to Sundry expenses A/c.

B) Mr. Raj has prepared the following Trial balance on 31st March 2017. Kindly verify it and prepare a revised Trial Balance.

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| Particular | Dr.(Rs) | Cr.(Rs) |
|-------------------|-----------------|-----------------|
| Capital | 1,50,000 | |
| Purchase | | 1,16,000 |
| Sales | 2,00,000 | |
| Goodwill | | 1,00,000 |
| Machinery | | 21,000 |
| Furniture | | 19,000 |
| Sundry Expenses | | 35,000 |
| Sundry Creditors | 42,000 | |
| Office expenses | | 10,000 |
| Interest received | 3,200 | |
| O/s Expenses | 15,000 | |
| Opening Stock | | 1,07,400 |
| Cash balance | | 1,800 |
| Total | 4,10,200 | 4,10,200 |

OR

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- Q.5) A) Explain the use of Computers in Accounting?
B) Explain the need of the Accounting?

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OR

- Q.5) Write Short notes (any three) :-
a) IFRS b) Computerised Accounting system c) Accrual aspect
d) AS-6 e) Objectives of Book-keeping

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