

OP10ADF



FYBFCM
Financial Acctg

Duration : 2.5 Hours

6/10/15

Maximum Marks : 75

Figures to the right indicate Marks.

Q.1. (a) Fill in the Blanks (any 8)

(8)

1. The ICAI has issued ___ standards.
2. Books of accounts can be produced as an _____ in the court of law.
3. _____ is dealing between 2 or more persons.
4. Every business transaction has effect on at least _____ accounts.
5. The journal is a book of ___ entry.
6. A person who draws a cheque is a _____
7. Drawing 2 parallel lines across the face of the cheque is called _____
8. Sales Tax account is _____ account.
9. _____ Discount is shown in the books of accounts.
10. _____ means a Page.

Q.1. (B) State whether the following statements are true or false. (any 7)

(7)

1. Bank account is a personal account.
2. Narration is not necessary
3. In a cash transaction, party's name must be given.
4. Every business transaction has 2 effects.
5. Double entry system is complete system of accounting
6. Amount paid for acquiring goodwill is deferred revenue expenditure
7. Real accounts are the accounts of income and gains.
8. Live stock Account is a Personal Account.
9. Trade discount is not recorded in the books of accounts.
10. A cash book also serves the purpose of cash account.

Q.2. Journalise the following transactions and prepare all the required ledgers in the books of Mr. Ram for the month of January 2015

(15)

January

1. Ram Commenced business with cash Rs. 10000 and goods worth Rs. 5000
2. Purchased goods for cash Rs. 1000 after getting discount of Rs.200
3. Purchased Godrej Furniture worth Rs. 2000.
4. Sold goods to Mr. Kumar on credit worth Rs. 1500.
5. Opened a Bank Account with Indian Bank and deposited cash Rs. 500
6. Gave Loan to Mrs. Sinha Rs. 3000
7. Goods purchased 2nd January were returned worth Rs. 400
8. Ram paid his daughter's school fees of Rs. 1000 from office cash.
9. Entire Loan repaid by Mrs. Sinha.
10. Paid salary to employees of Rs. 5000 by cash.

OR

Q.2. (A) Anish purchased furniture worth Rs. 20000 on 1-4-2011. He charges depreciation at the rate of 10% on the Reducing balance method. On 1-7-2013 he sold out a part of furniture

(8)

for Rs. 2000, the original cost of which on 1-4-2011 was Rs. 4000.

Financial year ends on 31st March every year.

You are required to prepare his furniture account and depreciation account for first 3 years.

Q.2. (b) Saraswati purchased a machinery for Rs; 80000 on 1st April 2011. In the same year (7)
 on 1st October additional machinery costing Rs. 20000 was purchased. On 1st October 2013
 the machinery purchased on 1st April 2011 became obsolete and was sold for Rs. 62000.
 On 1st January 2014 a new machine was also purchased for Rs. 30000.
 Depreciation was provided on 31st March at the rate of 10% p.a. On Straight line method.
 Prepare Machinery account and depreciation account for 3 years.

Q.3. (a) Prepare trial balance from the following balances extracted as on 31.03.2014. (8)

Purchases	21665	Travelling expenses	550
Machinery	15000	Building	25000
Capital	50000	Drawings	4800
Debtors	12700	Sundry Creditors	4255
Purchase return	1333	Bank Balance	8000
Salaries	1350	Discount received	1600
Loans Payable	1360	carriage	448
Wages	450	Insurance	420
Bank Loan	1800	Office expenses	790
Cash	820	Commission received	2745
Furniture	2500	Opening stock	3600
Sales	35000		

Q.3. (b) From the following particulars prepare a single column cash book of Mr. Amar (7)
 and state the closing balance.

2015

December

- | | |
|--------------------------------|------|
| 1. Started Business with cash | 3000 |
| 2. Purchased goods for cash | 400 |
| 3. Advertisement expenses paid | 250 |
| 4. Sold goods for cash | 575 |
| 5. Further capital introduced | 1000 |
| 6. Paid to B, a creditor | 900 |
| 7. Received from E, a debtor | 175 |
| 8. Salary paid | 1000 |

OR

Q.3. (a) From the following details prepare a Bank reconciliation statement and (7)
 find out balance as per passbook.

The balance as per cash book of Ramesh on 31-12-2015 is Rs. 10815.
 This balance does not tally with the balance shown by the passbook. On completion
 of passbook and cash book, the following causes of difference are available.

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2. Provision for Doubtful Debts is to be created to the extent of 5 % of debtors.
3. Salary for the month of March 2014 amounting to Rs. 3000 was unpaid which must be provided for However salaries include Rs. 2000 paid in Advance.
4. Insurance amounting to Rs. 2000 is prepaid.
5. Provide for outstanding for office expenses Rs. 8000.
6. Stock used for private purpose Rs. 6000
7. Closing stock – Rs. 6000.

OR

Q.4. Sam and Tom are partners sharing profits and losses in the ratio 2:3. From their trial Balance given below prepare Trading account, P/L account and Balance Sheet for the Year ended 31st March 2014. (15)

Trial Balance

Particulars	Amt (Dr.)	Particulars	Amt (Cr.)
Purchases	98000	Capital	
Patent Rights	4000	Sam	30000
Building	100000	Tom	40000
Stock (1.4.13)	15000	Provident Fund	7000
Printing and stationary	1750	Creditors	45000
Sundry debtors	35000	Bank Loan	12000
Wages and Salaries	11000	Sales	158000
Audit Fees	700	Reserve for doubtful debts	250
Sundry expenses	3500	Purchase Returns	3500
Furniture and Fixtures	8000		
10% Investment (Purchase 30.9.13)	10000		
Cash	4000		
Provident Fund	800		
Carriage Inwards	1300		
Trade Expenses	2700		
Total	295750		295750

Additional Information:

1. Closing stock is valued at cost Rs. 15000 while its market value is Rs. 18000.
2. On 31st March 2014 the stock of stationary was Rs. 500
3. Reserve for Bad and doubtful debts at 5 % on debtors.
4. Depreciate building at 5% and Patents at 10%
5. Interest on capital is to be provided at 5%.
6. Goods worth Rs. 10000 were destroyed by fire. The Insurance company admitted the claim for Rs. 8000.

Q.5 . Answer the following.

- (a) Explain Capital and Revenue Expenditure in brief. (8)
- (b) What are the branches of Accounting? Explain. (7)

OR

Q.5. Short Notes (Any 3) (15)

1. Personal Account
2. Nominal Account
3. Deferred revenue expenditure and its examples.
4. Purchase return book
5. Sales Book