

**SHRI S.H.KELKAR COLLEGE OF ARTS, COMMERCE AND SCIENCE, DEVGAD.
(SINDHUDURGA)**

SEMESTER-I, OCT 2023

**COURSE: Financial Accounting-I
DURATION: 2. 30 Hrs.**

COURSE CODE- UBIFSL

**CLASS: FYBBI
MAX. MARKS: 75**

(8)

Q.1.A. Multiple choice questions: (any eight)

- Goods returned to the suppliers should be accompanied by _____.
a) bill. b) Cash memo. c) Debit note. d) Credit note
- Bank reconciliation statement is prepared by _____.
a) Trader b) bank c) seller. d) Student
- A trial balance is a list of _____ Accounts.
a) persona b) Real c) Nominal. d) Ledger
- The method of valuation of closing stock is to _____.
a) Value at cost. b) Value at market price.
c) Value at cost or market price whichever is lower. d) value at cost or market price
- Income tax appears in trial balance _____ Column.
a) debit balance. b) Credit balance. c) L.F. d) Income
- A transaction not recorded at all is called as an error of _____.
a) principle b) Complete omission. c) partial omission. d) Duplication
- Interest on investment is _____ Of business concern.
a) A Profit. b) A loss. c) An expense. d) An income
- All the items of income are shown on the credit side Of _____ Account.
a) Balance sheet. b) Manufacturing. c) Profit & loss. d) None of them
- Depreciation under Hire purchase system is charged on _____.
a) cash price. b) Hire purchase price.
c) Hire purchase price or cash price whichever is higher. d) none of the above
- Bank gives overdraft facility to _____ account.
a) Current b) saving c) fixed deposit d) recurring

B) State Whether above statements are true or false: (any seven)

(7)

- Purchase account always shows debit balance.
- Errors of omission are committed by clerks.
- Accounting is useful for the owner.
- Book keeping is an art as well science.
- Reputation of business is known as copyright.
- Folio means totaling of journal.
- Unrecorded purchase is credited to Trading account.
- Outstanding rent is not to be considered as expenses.
- A person who endorses the cheque is known as endorser.
- Narration is not necessary in ledger.

Q.2. A. Journalise the following transaction in the books Mantri

(15)

DATE(2017)	PARTICULARS	AMOUNT
Decernber. 1	Received 10,000 from father-in-law as gift and Deposited the same into the account of business.	
2	Took loan from Mrs. Shalini.	5,000
3	Paid Rent to landlord in advance.	75
4	Received rent from sub-tenants.	100
5	Paid for postal stamps.	10
6	Commission due from Gupta.	40
7	Old Typewriter of 1,000 is stolen.	
8	Sent M.O. to Radhika 80, M.O. commission paid.	2
9	Purchased securities worth 2,000 and paid for brokerage.	60
10	Paid for Mantri's club bill.	600
11	Gave Charity.	300
12	Sold private scooter and invested in business.	2,000

14	Bought equity shares of Bharat Fertilizers.	900
15	Received from Sita one hundred rupee note and gave her change for it.	
16	Invested in National Small Saving Certificates.	100
17	Paid 200 for carriage on machinery.	
18	Till taking (cash sales).	500
19	Paid Income Tax.	200

Or

Q.2. P. Complete Mr. Shastri's triple column Cash Book for the month of February 2017 from the following Information, indicating the cash balance available for the next month.
2017 February: :

(15)

- Balance b/f-Cash 5,000/- and bank 15,000/-.
- Cash purchases of 1,000/- using office funds were recorded.
- Mr. B. settled his account of 10,000/- enjoying 5% cash discount, paying partly by a in cheque of 3,000/- which was banked.
- The cash amount received from Mr. B and retained in the office, was used to pay rent of 2,000/- and a supplier Mr. C, to whom Mr. Shastri owed money.
- Mr. Shastri secured a loan from Union Bank of India of 15,000/- which amount he banked.
- Mr. P's total amount of 7,000/- was cleared by a cheque payment, but after accounting for a 2% cash discount, allowed by Mr. P
- Mr. B's cheque was returned by the bank with request to represent the cheque.
- Accordingly, Mr. B's cheque was redeposited by Shastri.bank
- Goods worth 15,000/- were sold for complete payment in cash, half of which was banked immediately.

Q.3.A. The following particulars have been extracted in respect of material X. (15)

Prepare a Stores Ledger Account showing the receipts and issues, pricing the material issued on the basis of LIFO & Weighted Average Basis.

Receipts :			
1.09.2018	Opening Stock	200 units	at 3.50 per unit
3.09.2018	Purchased	300 units	at 4.00 per unit
13.09.2018	Purchased	900 units	at 4.30 per unit
23.09.2018	Purchased	600 units	at 3.80 per unit
Issues:			
5.09.2018	Issued	400 units	
15.09.2018	Issued	600 units	
25.09.2018	Issued	600 units	

Or

Q.3. P. A limited Company issued 150,00 shares of 10each Payable as follows.2 on application , 3 on allotment , 3 on first Call 2 on final Call. Applications are received for 10,000 shares. All these shares were allotted . All the Calls were made except the final Call. All the money due on the shares received except the first call on 500 shares. You are to give journal entries & ledger account.

(15)

Q.4.A. From the following Trial Balance Prepare Manufacturing A/c and Trading, Profit and Loss A/c. For The year ended 31st March, 2018 and Balance Sheet as on that date. [15]

Particulars	Dr. □	Cr. □
• Opening Stocks		
a) Raw Materials	30,000	
b) Work in Progress	5,000	
c) Finished Goods	16,000	
Capital		90000
Purchase of Raw Material	3,00,000	
Sales		450000

Purchase of Finished Goods	8,000	
Carriage Inward	4,000	
Provision for Bad Debts		10000
Wages	50,000	
Salaries (75% Factory)	26,000	
Commission	3,000	
Bad Debts	2,000	
Insurance	4,000	
Rent, Rates and Taxes (50% Factory)	25,000	
Postage and Telegrams	2,800	
Tea and Tiffin	1,600	
Travelling and Conveyance (25% Factory)	5,000	
Carriage Outward	2,600	
Machinery	40,000	
Furniture (40% Factory)	5,000	
Debtors	70,000	
Creditors		50000

1. Provide 10% depreciation on Machinery and Furniture.
2. Closing stock of Raw Material, Work-in-progress and Finished Goods were 40,000, 12,000 and 8,000 respectively.
3. Provide 5% Reserve for doubtful debt
4. Salary outstanding 2400 & insurance was prepared by 600.

Or

Q.4.P. From the following Trial Balance of Shri. Kamal, Prepare manufacturing account, trading account And Profit & Loss account for the year ended 31st December, 2018 and Balance Sheet as on that Date :

[15]

Particulars	□	Particulars	□
Drawings	50,000	Capital	4,64,000
Patents	40,000	Sundry Creditors	1,25,000
Plant & Machinery	2,00,000	Debentures	75,000
Land & Building	1,20,000	Reserve for Bad Debts	6,000
Cash & Bank Balances	37,000	Sales	3,24,000
Sundry Debtors	59,000	Discounts Received	4,000
Trade Marks	9,000	Return Outward	2,000
Salary to Manager	16,000		
Purchases of Raw Material	1,50,000		
• Opening Stocks			
➤ Raw Materials	35,000		
➤ Semi-finished Goods	60,000		
➤ Finished Goods	90,000		
Carriage Inward	10,000		
Wages & Salaries	75,000		
Factory Expenses	12,000		
Factory Rent	10,000		
Office Expenses	8,000		
Stationary	7,500		
Discounts Given	5,500		
Bad Debts	6,000		
Total	10,00,000	Total	10,00,000

❖ On 31st December, 2018 stocks were as follows:

- Raw materials 55,000; Semi-finished goods 75,000; Finished goods 95,000.
- a) Stationary expenses outstanding 1,500 and factory rent was prepaid 2,000.
- b) Increase Reserve Bad Debts by 5,000.
- c) Interest on debenture is still unpaid 1,200.
- d) Write off trade marks by 33% p.a.

Q.5. A) Distinction between Capital Expenditure & Revenue Expenditure . (8)

B) Explain the features of Trial Balance. (7)

Or

Q.5. Write short notes on : (any 3) (15)

1. Liabilities
- 2.. Capital Expenditure
3. Personal accounts
4. Sales book
5. Purchase return book