

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

**SEMESTER I, EXAM, OCT.2023**

**COURSE: INTRODUCTION TO FINANCIAL ACCOUNTING**

**DURATION: 2.5 Hrs.**

**CLASS: F.Y.BMS**

**MAX. MARKS: 75**

**1. All questions are compulsory.**

**2. Figures to the right indicate full marks.**

**Q.1) A) Multiple Choice questions (Any 8)**

**(08)**

1. Live stock is .....

(current asset, fixed asset, fictitious asset, intangible asset)

2. Patent and copy right is a .....

(current asset, fixed asset, fictitious asset, intangible asset)

3. Drawing reduce .....

(Capital, profit, income, purchase)

4. For a sugar mill sugarcane is a .....

(raw material, WIP, finished goods, asset)

5. WIP in the books of the manufacturer is .....

(partly finished goods, finished goods, raw material, none of these)

6. Discount represent .....

(Discount allowed, discount received, asset, liability)

7. productive wages are .....

(debited to trading a/c, debited to p/l a/c, shown as asset, none of these)

8. Prepaid insurance is .....

(deducted from insurance, added to insurance, shown on asset side shown liability side)

9. Outstanding salary is as shown as .....

(an expense, a liability, an asset, none of these)

10. Goods given as sample should be credited to .....

(advertisement a/c, sales a/c, purchase a/c, none of these)

**B) State whether the following statements are true or false.**

**(07)**

1. Live stock account is a personal account.

2. Real accounts are the accounts of income and gains.

3. Trade discount is not recorded in the books of accounts.

4. Brokerage account is a real account.

5. Capital account shows a credit balance.
6. Depreciation is not a business expenditure.
7. Reducing balance method is known as straight line method.
8. Depreciation is a loss.
9. Trial balance is drawn at a particular date.
10. An interest on capital is added to capital.

**Q.2) A) Classification of accounts**

08

1. Vijay's a/c   2. Capital a/c   3. Discounts a/c   4. Copyright a/c   5. Creditors a/c
6. Bank charges a/c   7. Loose tools a/c.   8. Investment a/c

**B) Solve the problem**

07

Sharmila automobiles Ltd. Thane purchased a machine for Rs. 80000 on 1<sup>st</sup> July 2015. On 1<sup>st</sup> Oct. 2016 company purchased an additional machine costing Rs. 30000. On 31<sup>st</sup> March 2018 the machine purchased on 1<sup>st</sup> July 2015 became absolute and was sold for Rs. 65000. Depreciation was provided annually on 31<sup>st</sup> March. The rate of 10% per annum on the reducing balance method. Prepare machinery account and depreciation account from 2015-16, 2016-17, 2018-19

OR

**P) Journalise the following transaction in the books of Swati Ltd. For January 2018.**

08

1. Started business with cash Rs. 60000
9. Paid rent by cheque Rs. 7000
18. Sold goods worth Rs. 40000 to Yash @ 10% T.D. & 5% C.D. and received cash immediately.
21. Deposited Rs. 9000 in state bank of India.
27. Cheque received from Mr. Jay of Rs. 10000 deposited into bank but dishonored.
30. Paid insurance premium Rs. 500.

**Q) You are required to prepare the Furniture a/c in the ledger book of Culture Ltd. on the basis of following information for April 2019.**

(07)

1. Opening balance Rs. 10000.
10. Furniture purchased for Cross Ltd. On credit Rs. 25000
17. Furniture purchased from Vaibhav Ltd. on cash basis Rs. 70000

- 20. Old furniture sold for cash Rs. 14000
- 22. Furniture withdrawn from business Rs.5000
- 28. Furniture brought by the owner Rs.8000

**Q. 3) A) Enter the following transactions in the cash book .**

**(15)**

**March 2019.**

- 1. Capital introduced (in cash) - 50,000
- 4. Paid into bank -80,000
- 5. Purchased goods by cheque - 20,000
- 6. Received a cheque from Rama - 30,000
- 7. Allowed discount - 2,000
- 10. Cash sales - 70000
- 12. Paid into bank - 10,000
- 15. Gopal paid by cheque - 30,000
- 16. Discount received - 200
- 20. Paid salary by cheque 1,000
- 25. Withdraw for office use 20,000.
- 31. Draw a cheque for personal use 2,000.

**OR**

**Q.3 P) Journalise the following transaction and with ledger in the books of Myantra Ltd. For Feb. 2019**

**(15)**

- 1. Started business with cash Rs. 85000
- 9. Paid rent by cheque Rs.700
- 18. Sold goods worth Rs. 6000 to Sara @ 20% T.D.& 2% C.D. and received cash immediately.
- 21. Deposited Rs. 80000 in state bank of India.
- 27. Cheque received from Mr. Kaustubh of Rs.35000 deposited into bank but dishonored.
- 30. Paid insurance premium Rs.4500.



**Q.4) Mr. Sourabh the petty cashier of Raje Mobile Company , Latur received Rs.8000 on June 01,2019 from Head Cashier. Details of petty expenses for the month are as follows. 15 Marks**

DATE	PARTICULARS	AMMOUNT
2019 JUNE 1.	Auto fare	255
3.	Courier expenses	200
4.	Postal stamps purchased	300
6.	Eraser /pen purchased	40
7.	Speed post charges	50
8.	Taxi fare	500
10	Refreshment	20
11	Auto fare	300
12.	Register postal charges	120
13.	File purchased	99
15.	Cartage	20
18.	Computer stationery purchased	120
19.	Bus fare	140
20	Mobile charges	150
21.	Office sanitation charges paid	120
22.	Refreshment	130
24.	Photocopy charges paid (Zerex)	160
26.	Courier expenses	500
27.	Unloading charges	1000
28.	Bus fare	200

**Prepare analytical petty cash book.**

**OR**

**Q.4) Write the following questions.**

a. Note on Ledger.

**08**

b. Write the format of balance sheet.

**07**

**Q.5) From the given trial balance of Kana. Prepare Trading and profit and loss account for the year ended 31/03/2015. And balance sheet at that date.**

(15)

Particulars	Rs.	Particulars	Rs.
Stock as on 01/04/2014	43000	Capital	100000
Machinery at cost	50000	Sales	115000
Furniture at cost	18000	Interest received	4500
Drawing	3000	Discount received	2500
Debtors	18500	Creditors	10000
Salaries	3820	Provision for depreciation	
Factory insurance	1070	On machinery	20000
Balance with bank	13500	On furniture	10000
Cash on hand	810	Bills payable	4960
Purchase of raw material	85000		
Return inward	450		
Wages	8500		
Direct manufacturing expenses	2300		
Factory rent	2500		
Office rent	1500		
Power expenses	1200		
Investment	10100		
Factory lighting	760		
Office lighting	1200		
Carriage outward	550		
Printing and stationery	900		
Bad debt	300		
<b>TOTAL</b>	<b>266960</b>		<b>266960</b>

#### Adjustment-

1. Additional bad debt of Rs.200 are to be written of and RDD to be provided at 10% on debtors.
2. Outstanding office rent Rs. 500
3. Depreciation on machinery at 10% P.A., Furniture at 15% P.A.

//////////