

École Centrale School of Engineering
End Semester Exam

Branch: AI, CSE, CM, ECE, ECM, CB, BT, CE, ME, MT, NT

Subject: Financial Accounting (HS2202)

Start Time: 10 AM

Max. Marks: 100

1) Please check out for sub-questions under few questions
2) Regular calculator is allowed inside the examination hall

Answer any Four questions from the following

1. Explain accounting principles with examples in detail.

2. A) Explain the role of Chief Financial Officer (CFO) within an organization. (7.5M)
B) Explain the primary objectives of Accounting. (7.5M)

3. Analyze the effect of each transaction on assets and liabilities and show that the both sides of Accounting Equation ($A = L + C$) remains equal:

1. Commenced business with cash Rs.50000
2. Purchased goods for cash Rs.20000 and on credit Rs.30000
3. Sold goods for cash Rs.40000 (cost of Rs.30000)
4. Rent paid Rs.500
5. Bought furniture Rs.5000 on credit
6. Bought refrigerator for personal use Rs.5000
7. Paid salaries Rs.50000
8. Sold goods to Ram Rs.10000 (cost of Rs.7000)
9. Cash withdrawn for personal use Rs.10000
10. Commission received Rs.5000.

4. Following transactions of Ramesh, Delhi for April 2023 are given below. Journalise them

April 1 Ramesh started business with cash Rs.100000

April 2 Deposited cash into bank Rs.70000

April 3 Bought goods for cash Rs.5000

April 13. Sold goods to Krishna on credit Rs.1500

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April 20 Bought goods from Lakshman Rs.2250

April 24 Received cash from Krishna Rs.1450 and allowed him discount Rs.50

April 28 Paid cash to Vinay 2150 and discount allowed by him Rs.100

April 30 cash sales for the month Rs.8000

April 30 paid salary Rs.10000

A) Distinguish between capital expenditure and Revenue expenditure. (7.5M)

B) What are the Generally Accepted Accounting principles and why are they important in financial reporting. (7.5M)

Dir. Ac. Exp. / Fixed asset / Revenue / Expenditure

SECTION - B (Compulsory)

(1*40 = 40 M)

6. From the following particulars furnished by GMR Ltd., Prepare Profit & Loss statement and Balance sheet as on 31st March 2018 according to Companies Act, 2013.

Particulars	Debit Amount	Credit Amount
Plant and Machinery	90000	
Cost of material consumed	58000	
Advertisement	1000	
Opening Inventory	40000	
Discount allowed	350	
Interest on bank loan	75	
Trade receivables	45000	
Salaries	6800	
Wages	10000	
Carriage	1950	
Rent	2000	
Trade expenses	2000	
Cash at bank	6900	
Equity share capital		110000
Sales		127000
Rent received		1275
Discount received		800
Bank loan		5000
Trade payable		20000
	264075	264075

Additional Information: Closing stock is valued at Rs.35000.
