

POSSESSION OF MOBILES IN EXAM IS UFM PRACTICE.

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Jaypee Institute of Information Technology, Noida
End Term Examination, EVEN Semester 2023
B.Tech. IVth Semester

Course Title: Financial Accounting

Maximum Time: 2 Hr

Course Code: 15B1NHS435

Maximum Marks: 35

After pursuing this course, the student will be able to:

- CO1 Understand the basic concepts of Accounting
- CO2 Apply accounting concepts for recording of business transactions
- CO3 Compare and reconcile the accounting records with other sources of information
- CO4 Evaluate the accounting records to identify and rectify the errors made during accounting process
- CO5 Construct the final accounts and cash flow statement of a business

Note: Answer all questions in sequence.

Q.1. Define Assets of a business. Explain various types of Assets

CO1
(2 Marks)

- Q.2.**
- The proprietor of the business is treated as a creditor to the extent of his capital under which concept of accounting. Briefly explain.
 - On Jan, 1, 2023, Mr. Rakesh sood was appointed as a marketing manager in a company with Rs 50,000 per month salary. Will this entry be entered in books of accounts on Jan, 1, 2023? Explain your answer.

CO1
(2 Marks)

Q.3. From the following transactions of M/s Read & Write, Journalize the following transactions:

CO2
(3 Marks)

- Jan 04, 2022 Goods costing Rs 1000 sold to Lalji at a invoice price of 10% above cost & at a trade discount of 5%.
- Jan 07, 2022 Distributed goods costing Rs 2000 (sale value Rs 2500) as free samples.
- Jan 08, 2022 Lalji became insolvent & the whole money due from him was considered as Bad debt.

Q.4. The cash book of a trader showed an overdraft balance of Rs 32,750 on Dec 31, 2022.

CO3
(3 Marks)

- A cheque for Rs 4,000 was issued to a supplier on 28 December but this cheque was not presented to bank till 10 Jan 2023.
- Bank has debited Rs 2000 towards interest on overdraft and Rs 600 for bank charges but the information to trader was sent on 15 Jan.

You are required to ascertain the balance as per the passbook and prepare a Bank Reconciliation statement as on 31.12.22.

Q.5. The following entries have been passed by a student. You are requested to check whether these entries are correctly passed. If not so, pass the correct journal entries.

CO4
(3 Marks)

Date	Particulars	L.F.	Debit(Rs)	Credit(Rs)
01.04.23	Cash A/c To Interest A/c (Being interest paid)	-	7000	7000
05.04.23	Mohan A/c To Purchases A/c (Being purchased goods from Mohan)	-	10000	10000
08.04.23	Mukesh A/c To Bank A/c (Being salary paid to Mukesh by cheque)	-	1000	1000

Q.6. Classify the following items between Capital, Revenue, Deferred revenue and evaluate by giving brief reason in each case:

CO4
(2 Marks)

- Imported goods worth Rs 25,000 were confiscated by the customs authority for non-disclosure of material facts.
- Cost of Rs 5,00,000 incurred in increasing the seating capacity of the JIIT auditorium.

Q.7. From the following balances you are required to estimate cash from operations:

CO5
(5 Marks)

Particulars	31.03.2021	31.03.22(inRs)
Debtors	50,000	47,000
Bills Receivable	10,000	12,500
Creditors	20,000	25,000
Bills Payable	8,000	6,000
Outstanding Expenses	1,000	1,200
Prepaid expenses	800	700
Accrued Income	600	750
Income received in advance	300	250
Profit made	-	1,30,000

Q.8. The following is the Trial Balance of Hari Pvt Ltd as on 31.03.23

CO5
(15 Marks)

Particulars	Debit(Rs)	Particulars	Credit(Rs)
Stock (01.04.22)	46,800	Capital	76,690
Sales Return	8,600	Sales	3,89,600
Purchases	3,21,700	Purchase return	5,800
Carriage inward	19,600	Creditors	14,800
Debtors	24,000	Discount	4,442
Furniture & Fittings	5,000	Bank loan	34,000
Drawings	30,000	Provision for Bad debts	1,000
Stationery expenses	55,632		
Salaries	15,000		
Total	5,26,332	Total	5,26,332

Adjustments:

- Provision for Bad debts is to be created at 5%
- Depreciation of Furniture & Fittings at 10%.
- Purchases include goods purchased for personal use of Hari Rs 6000.
- Interest on Bank loan has to be paid @ 15% p.a.
- Closing stock is Rs 80,000.
- A quarter of the amount of stationery expense is to be used in next accounting period.
- A commission of 10% on net profit after charging the manager's commission has to be paid to manager.

Prepare the Trading , Profit & Loss Account and Balance Sheet as on 31.03.23 after making the necessary adjustments.
