

FYBBI sem I Reg & A.T.K.T. Exam Oct-2019.

FYBBI

Subject : Financial Accounting – I

SEM-I

AY: 2019-20

10/10/19.

[Time: 2 ½ Hours]

[Marks: 75]



- Note:** 1) All questions are compulsory.
2) Figures at right shows full marks for questions
3) Use of simple calculator is permitted.
4) Working notes should form part of answers.

Q.1(A) Multiple Choice questions (Any Eight)

(08)

- 1) Accounting Standards are issued by _____.
a) ICAI b) ICWAI c) ICSI d) CLB
- 2) Valuation of inventories is governed by _____.
a) Companies Act b) Income Tax Act c) AS-2 d) AS-6
- 3) _____ expenditure is non-recurring in nature.
a) Capital b) Revenue c) Deferred d) None
- 4) A trial balance is a list of _____ accounts.
a) Personal b) Real c) Nominal d) Ledger
- 5) Under _____ the earliest purchases are issued for production.
a) FIFO b) LIFO c) WAM d) WDF
- 6) Depreciation under Hire-purchase system is charged on –
a) Cash Price b) Hire Purchase Price
c) Down payment d) none of them
- 7) As per AS-2, inventory covers- _____.
a) Live stock b) Goods purchased for resale
c) Investment held as stock in trade d) WIP in construction contracts
- 8) In _____ type of Cash Book, cash, discount and banking transactions are recorded
a) Two column cash book b) Triple column cash book
c) Petty cash book d) Bank book
- 9) Revenue means _____.
a) Sales b) Income c) Gains
d) Gross inflow of benefits from ordinary activities
- 10) Excess of expenses over income is _____.
a) loss b) profit c) surplus d) none of the above

Q.1 (B) Match the following and re-write. (Any Seven)

(07)

Column A	Column B
1. Machinery Account	a) Initial payment made

2. Non-trading concerns	b) Disclosure of Accounting Policies
3. Left hand side of ledger account	c) Transaction in terms of money
4. Down-payment	d) Real Account
5. AS-1	e) Not profit making concern
6. Right hand side of ledger account	f) Debit side
7. Money measurement	g) Luca Pacioli
8. Cash discount	h) Credit side
9. Father of Accounting	i) Does not appear in cash book
10. Trade discount	j) Appears in cash book

Q.2(A) Pass Journal entries for the following transactions in the books of Ramesh . (15)

- 1) 01st April 2018- Ramesh opened a current account with SBI by depositing Rs. 1, 50,000.
- 2) 04th April 2018- Goods sold for Rs. 20,000 and deposited the amount into Bank.
- 3) 07th April 2018- Sold goods worth Rs. 18000 to XYZ & Company
- 4) 08th April 2018- Received a cheque of Rs. 5,000 from Gayatri and deposited the same into bank
- 5) 10th April 2018- Purchased furniture from Mr. Ramakant on credit worth Rs. 3900.
- 6) 16th April 2018- Bank credited Rs. 600 for interest.
- 7) 28th April 2018- Paid life insurance by cheque Rs. 5,500
- 8) 01st May 2018- Received cash from XYZ & Company
- 9) 03rd May 2018- Withdrew from bank Rs. 25,000 for business expenses.
- 10) 13rd May 2018- Cash purchases Rs. 12,500 .

OR

Q.2(B) Prepare Bank Reconciliation Statement for the year ending 31/03/2019 (08)

1. Bank Balance as per Cash Book Rs. 8,600.
2. Cheques of Rs. 4,000 issued but not presented for payment.
3. Bank debited bank charges Rs. 200
4. Cheques of Rs. 28,000 deposited into bank but not credited by bank.
5. Bank paid Insurance Premium Rs. 2,500 directly.
6. Bank credited ₹ 1,900 for Investment, but not yet entered in the Cash Book.

Q.2(C) State giving reasons, whether the following expenditure or receipt are Capital , Revenue or Deferred Revenue expenses or receipts. (07)

- a) Interest of ₹ 8,000 paid on Bank Overdraft.
- b) A petrol engine of a passenger bus was replaced by a diesel engine, ₹ 70,000
- c) Received ₹ 2000 as dividend on shares.
- d) Heavy advertising expenditure incurred for launch of a product.
- e) Copyright acquired for a sum of Rs. 20,00,000.
- f) Replacement of wooden platform for machinery with concrete.
- g) Received ₹ 3,00,000 on issue of 15% Debentures.

Q.3(A) TATA Motors purchased a truck on instalment basis on 1st January, 2015; paying ₹ 20,000 cash and agreeing to pay three further instalments of ₹ 20,000 each on 31st



December each year. The cash price of the Truck was ₹ 74,500 and Truck company charges interest at 5% p.a. The TATA Motors charges depreciation at 10% p.a. on cash value of the Truck on diminishing value method.

Prepare Truck Account, Truck Vendor's Account and Interest Account in the books of TATA Motors. (15)

OR

Q.3(B) From the following particulars, prepare stock record by (A) FIFO & (B) Weighted Average Method (15)

Date	Transaction	Units	Rate (Rs)
04-01-2019	Purchases	40	30
17-01-2019	Purchases	60	28
20-01-2019	Sales	50	-
22-01-2019	Purchases	80	29
25-01-2019	Sales	80	-
28-01-2019	Sales	20	-
30-01-2019	Purchases	100	26
31-01-2019	Sales	90	-

Q.4(A) From the following balances of a manufacturer, Prepare Manufacturing A/C for the year ended 31-03-2018. (15)

Particulars	Amount (Rs)	Particulars	Amount (Rs)
<u>Opening Stock :</u> Raw Materials 34,000 W.I.P. 16,000	50,000	Repairs to Machinery	1,500
Purchase of Materials	1,00,000	Royalty	2,000
Coal	3,200	<u>Closing Stock:</u> Raw Materials 16,000 W.I.P. 10,400	26,400
Freight	2,800	Finished Goods	50,000
Purchases Returns	1,400	Purchases of Goods	50,000
Wages	12,800	Carriage on Goods purchased	1,400
Factory Rent	7,600		
Factory Insurance	1,800		



OR

Q.4(B) From the given Trial Balance of M/S Terasoft, prepare Trading and Profit & Loss Account for the year ended 31st March, 2019 and a Balance Sheet as on that date.

(15)

Particulars	Dr. (RS.)	Cr (Rs.)	Particulars	Dr. (RS.)	Cr (Rs.)
Cash at Hand	1,000		Fuel and Power	10,000	
Cash at Bank	5,000		Carriage Outward	6,000	
Purchases	82,000		Carriage Inward	4,000	
General Expenses	6,000		Stock(01-01-2015)	12,000	
Insurance	2,000		Building	60,000	
Capital		1,50,000	Investment	20,000	
Drawings	10,000		Machinery	40,000	
Debtors & Creditors	30,000	13,000	Salaries	30,000	
Sales		2,00,000	Furniture	25,000	
Returns	1,000	2,000			
Wages	21,000		TOTAL	3,65,000	3,65,000

Additional Informations:

- Stock in hand on 31st March ,2015 ₹ 15,000
- Salaries for the month of December,2015 ₹ 3,000 were unpaid
- Insurance include ₹ 500 for the next year.

Q.5(A) Differentiate between Book-keeping and accountancy.

(08)

Q.5(B) What do you mean by accounting? Mention the limitations of financial accounting.

(07)

OR

Q.5(C) Write short notes (Any three)

(15)

- Purchases Return Book
- Accounting Standard -1
- Capital Expenditure
- Vouchers
- Manufacturing A/C