

FYBIM sem I Reg & A.T.K.T. Exam Dec-2018  
Paper / Subject Code: 81502 / Introduction to Accounting-I  
30/11/2018



Time: 2.5 hours

Max. Marks: 75

- N.B.
- 1) Attempt all **five** questions.
  - 2) Figures to the **right side** indicate **full** marks.
  - 3) Answer should be **precise and to the point**.
  - 4) Use of **simple calculator** is allowed.
  - 5) Specify **assumptions**, if any, while **answering** the questions.

1.a) MULTIPLE CHOICE QUESTION : (ANY EIGHT)

[8]

1. Totalling of journal or ledger.  
(Casting Folio)
2. Machinery bought on credit for permanent use.  
(Goods property)
3. Money value or Reputation of business is known as  
(Goodwill/Copy right)
4. Hire Purchase Comprise of Hire Purchaser and \_\_\_\_\_  
(Vendor/Lawyer)
5. Assets which can be seen are called as \_\_\_\_\_  
(tangible/intangible)
6. The goods remaining unsold are  
(Stock/Shares)
7. Rent Paid to landlord is debited to \_\_\_\_\_ Account.  
(Cash/Rent)
8. Sale of typewriter to be credited to  
(Cash A/c / Typewriter A/c)
9. Accounting for Inventory is Provided by  
(AS 1/ AS 2)
10. The AS 10 does not apply to  
(Land & Building/ Biological asset)

(P.T.O.)



b) MATCH THE COLUMN : (ANY SEVEN)

[7]

COLUMN A	COLUMN B
1. Trading Concern	a. Asset
2. Debtors	b. Amount invested in business
3. Capital	c. Established for earning profits
4. Cash System	d. Does not entail Posting
5. Contra Entry	e. Capital Expenditure
6. Repayment of Loan	f. Cash Transaction
7. legal expenses on collection from debtors	g. An instrument to pay
8. Cheque	h. for deposit cash into bank
9. IFRS	i. Revenue Expenditure
10. Pay in slip used	j. FASB

2. Journalize the following transactions, Post them into ledger and prepare trial balance in books of M/s Mahadik Industries Ltd. [15]

Jan. 01 Business started with Cash Rs. 75000; Building Rs 85000; Furniture Rs. 25000

Jan. 03 Cash Purchase Rs. 125000

Jan, 04 Cash Sales Rs. 150000

Jan. 06 Purchased Goods worth Rs. 200000 @ 10% Trade Discount from Ritesh & Co

Jan. 08 Sold Goods worth Rs. 280000 to Parmar and Co.

Jan. 20 Received Cash from Parmar and Co

Jan.25 Paid to Ritesh & Co.

Jan. 28 Paid Salaries Rs.15000; Insurance Rs.2500; Printing and Stationery Rs.7500.

OR



2. State whether the following Capital, Revenue or Deferred Revenue Expenditure: [15 marks]

- 1) Purchased Old Machinery Rs 15000.
- 2) Wages incurred to install the machinery
- 3) Cost of training of employees
- 4) Renewal of license
- 5) Brokerage and Commission paid for raising capital
- 6) Heavy Expenditure incurred on advertising
- 7) Amount received on sale of old furniture

3.) Doshi Roadways purchased a trucks from Tata Ltd. On hire-purchase system on 1<sup>st</sup> January, 2016. The cash price of each truck was Rs. 15,000. Payment was made as follows: [15]

1.1.2016 : Rs.2,000 down payment, remaining payments is in Rs.3,000/- five installments at the end of every year.

Depreciation at 10% per annum on original cost is charged.

You are required to: calculate interest per year; and show the necessary accounts in the books of Doshi Roadways.

OR

3. Find out the value of closing stock of M/s Mayur Ltd. using (A) FIFO Method (B)Weighted Average Method from the following details of Material 'X' as on 31<sup>st</sup> January, 2016.

[15]

DATE	TRANSACTION	UNITS	RATE
Jan, 05	Opening stock	700 units	25
Jan, 06	Issues	400 units	-
Jan, 09	Purchases	900 units	35
Jan, 11	Issues	600 units	-
Jan, 16	Purchases	200 units	40
Jan, 21	Purchases	900 units	45
Jan, 31	Issues	500 units	-



4. Below is the Trial Balance of m/s Karishma as on 31<sup>st</sup> Decemper 2016: [15]

DEBIT	Rs.	CREDIT	Rs.
Stock as on 01-01-2016		Karishma's Capital A/c	200000
Raw Materials	46000	Sundry Creditors	34000
Work in progress	20000	Sales	400000
Finished Goods	31000	Sale Of Scrap	3000
Sundry Debtors	54000	Bills Payable	17000
Wages	24000	Provision for Doubtful Debts	4000
Salaries	20000		
Repairs Of Plant	2400		
Repairs of Office	1200		
Equipment Purchase	200000		
Rent	10000		
Carriage Inward	4000		
Bills Receivable	50000		
Cash at Bank	4600		
Plant and Machinery	180000		
Lighting Expenses	3600		
General Expenses	7200		
TOTAL	658000		658000

Following is the additional information given to you:

- Provision for doubtful debts to be maintained at 10%.
- Depreciation to be written off on machinery @ 10%p.a.
- 75% of Lightning Expenses and Rent are to be charged to factory and the balance to office.
- Wages of Rs. 2,000 and Salaries of Rs. 2,000 of December 2016 were paid in the month of January 2017.



- e) Closing stock as on 31<sup>st</sup> December 2016 was Raw Materials Rs.15,800 Finished Goods Rs. 18,200 and Work-In-Progress was Rs. 7,000

OR

- 4.a) From the following particulars, Prepare Manufacturing Account for the year ended 31-03-2016 [8]

Particulars	Rs.
OPENING STOCK(01-04-2018)	
RAW MATERIAL	450000
WORK IN PROGRESS	200000
FINISHED GOODS	270000
PURCHASE OF RAW MATERIAL	1100000
CARRIAGE INWARD	25000
PURCHASE RETURN	52000
FREIGHT AND OCTROI	60000
SALES	3000000
SALE OF FACTORY SCRAP	15000
RENT (2/5 <sup>th</sup> for FACTORY)	45000
INSURANCE (40% for FACTORY)	10000
PRODUCTIVE WAGES	60000
REPAIRS TO BUILDING (65% for OFFICE BUILDING)	25000
DEPRICIATION ON MACHINERY	65000
FACTORY SUPERVISOR'S SALARY	25000
MANAGER'S SALARY(1/5 <sup>th</sup> for FACTORY)	55000
CLOSING STOCK as on 31-03-2016	
RAW MATERIAL	350000
WORK IN PROGRESS	135000
FINISHED GOODS	400000



Paper / Subject Code: 81502 / Introduction to Accounting-I

- 4.b) Pass necessary adjustment entries for the following adjustment: [7]
1. Interest on Capital Rs 500 and Interest on Drawings Rs 150
  2. Salaries Outstanding Rs. 10,000 and Rent Outstanding Rs 5600
  3. Closing Stock was valued at Rs. 55,000.
  4. Provision for doubtful debts to maintained @ 5% on debtors of Rs 50000
  5. Prepaid Insurance Rs 6000
  6. Goods withdrawn by proprietor worth Rs 6500

- 5 a) Explain AS-1 & AS-2 [8]  
b) Explain Accounting Concepts and Conventions? [7]

OR

- 5 Write Short Notes (ANY THREE) [15]
1. Weighted Average Method
  - 2 Bank Reconciliation Statement
  - 3 Revenue Expenditure
  - 4 Cash Book
  - 5 Objectives of Accounting