

Exam: FYBTM Sem II (Choice Based)
 Subject: Financial Accounting
 Exam Date: 12th APRIL, 2019
 Q.P code: 64901

- Q.1.A) Select the correct alternative from the following and rewrite the complete sentence: (ANY 8)**
- _____ is an example of an accounting policy
 a) Accrual b) Consistency c) Going concern d) **Valuation of Stock**
 - The basic rule of Nominal Account is _____
 a) **Debit all expenses and Credit all incomes and gain**
 b) Debit the receiver and Credit the giver
 c) Debit what comes in and Credit what goes out
 - Bank overdraft is shown on the _____ side of the Trial Balance.
 a) Debit b) **Credit** c) Ignored
 - AS-2 defines inventory as _____
 a) Current Asset c) Current Liabilities
 b) Fixed Assets d) **Asset held for sale in ordinary course of business**
 - Cost of Inventory should include _____
 a) Import duties c) Taxes
 b) Carriage d) **All of the above**
 - Proforma Invoice is prepared by the _____
 a) Seller c) **consignor**
 b) Buyer d) consignee
 - In case Del credere commission is allowed, bad debt loss is borne by _____
 a) Consignor b) **Consignee** c) Buyer
 - The person who sends the goods to the agent for sale is called _____
 a) **Consignor** b) Consignee c) agent
 - Salvage refers to _____
 a) Stock destroyed by fire c) **Stock saved from fire**
 b) Stock moving fast d) None of these
 - Purchase of machinery included in purchases should be _____
 a) Added to purchases b) **Deducted from purchases** c) Ignored

Q.1.B) Match the Following Columns: (ANY 7)

Column A	Column B
1. AS-1	1. Disclosure of Accounting Policies
2. AS-2	2. Valuation of Inventories
3. Basic rule of Real Account is	3. "Debit what comes in and Credit what goes out"
4. Method suitable in case of perishable goods	4. FIFO Method
5. Valuation of stock periodically	5. Periodic inventory system
6. Expenses on consignment	6. Borne by the consignor
7. Stock with the consignee	7. Owned by the consignor
8. Abnormal goods	8. Slow moving goods
9. Loss of Stock	9. Stock on the date of fire-Salvage
10. Average clause	10. Discourage under insurance

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Stock ledger (FIFO Method)

15 mks.

Date	Receipts			Issues			Balance		
	Units	Rate	RS.	Units	Rate	RS.	Units	Rate	RS.
12-18									
01							1500	3.50	5250
02	2500	3.80	9500				1500	3.50	5250
							2500	3.80	9500
06				1500	3.50	5250			
				1200	3.80	4560	1300	3.80	4940
10	3000	3.90	11700				1300	3.80	4940
							3000	3.90	11700
14				1300	3.80	4940			
				2200	3.90	8580	800	3.90	3120
18	3300	4.05	13365				800	3.90	3120
							3300	4.05	13365
22				800	3.90	3120			
				2000	4.05	8100	1300	4.05	5265
25	3800	4.10	15580				1300	4.05	5265
							3800	4.10	15580
26				1300	4.05	5265			
				1700	4.10	6970	2100	4.10	8610
30				1500	4.10	6150	600	4.10	2460

Q.2

DJ Ltd

Stock ledger (FIFO Method)

7½ mks

Date	Receipts			Issues			Balance		
	Units	Rate	RS.	Units	Rate	RS.	Units	Rate	RS.
2018									
Jan 1							500	45	22500
5	1000	48	48000				500	45	22500
							1000	48	48000
10				500	45	22500	-		
				600	48	28800	400	48	19200
15	1200	44	52800				400	48	19200
							1200	44	
18				400	48	19200			
				600	44	26400	600	44	26400
23	900	40	36000				600	44	26400
							900	40	36000
28				600	44	26400			
				600	40	24000	300	40	12000

Stock ledger (WAC Method)

7½ mks

Date	Receipts			Issues			Balance		
	Units	Rate	RS.	Units	W.A. R	RS.	Units	W.A. R	RS.
2018									
Jan 1							500	45	22500
5	1000	48	48000				1500	47	70500
10				1100	47	51700	400	47	18800
15	1200	44	52800				1600	44.75	71600
18				1000	44.75	44750	600	44.75	26850
23	900	40	36000				1500	41.9	62850
28				1200	41.9	50280	300	41.9	12570

Q3

In the Books of Ragesh
Consignment A/c

10 mks.

To GISC	40000	By Projakta A/c	
To cash/Bank	4000		
To Projakta's A/c (Exps)	6000	cash	56000
To Projakta's A/c (Com)	7600	credit	<u>20000</u>
To Projakta (B.D)	1000		76000
To P&L A/c	<u>17400</u>		
	<u>76000</u>		<u>76000</u>

Projakta's A/c

04 mks

To cons A/c	76000	By cons A/c (Exp)	6000
		By cons A/c (Com)	7600
		By cons A/c B.D	1000
		By Bank	<u>61400</u>
	<u>76000</u>		<u>76000</u>

GISC A/c

01 mks.

To Trading	<u>40000</u>	By cons A/c	<u>40000</u>
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In the books of Consignor
Nishant

Consignment Account

09 mks Cr.

Dr.

Particulars	RS.	Particulars	RS.
To Goods sent on Consignment (IP)	22500	By Goods sent on Consignment (Load)	4500
To Cash/Bank	1600		
To Consignee's A/c (Exps) ³⁰⁰ ₄₀₀	700	By Consignee's A/c	22500
To Consignee's A/c (Comm) ^{18%}	2250	(150 x 150)	
		By Stock on Consignment	6100
To Stock Reserve	1125		
To Profit and loss A/c	4925		
	<u>33100</u>		<u>33100</u>

Consignee's A/c (Rahul) 03 mks

Particulars	RS.	Particulars	RS.
To Consignment A/c	22500	By Cash/bank/ BR A/c	-
		By Consignment A/c Exp	700
		By Consignment A/c com	2250
		By Consignment A/c	
		By Bills Rec Bal	19550
	<u>22500</u>		<u>22500</u>

Goods sent on Consignment A/c

01 mk.

Particulars	RS.	Particulars	RS.
To Cons A/c	4500	By Consignment A/c	22500
To Trading A/c	18000		
	<u>22500</u>		<u>22500</u>

Val of Stock

SR

IP 22500 200 4500
 + Nishant Exp 1600 50 ?
 + Rahul's Direct 300
 Exps

200 - 24400

50 ? = 6100

Nishant A/c. 02

To Cash 700
 To Com 2250
 To BP 19550

By cash/bank 22500

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Mr. Suraj

Trading A/c 05mks
for the year ended 31.3.18

To Op Stock $99000 \times \frac{100}{90}$	110000	By Sales	400000
To Purchases	320000		
To G.P	80000	By C. Stk $121000 \times \frac{100}{110}$	110000
			<u>510000</u>

$$G.P.R = \frac{G.P}{S} \times 100 = \frac{80000}{400000} \times 100 = 20\% \quad 01mk$$

Memorandum Trading A/c from 1.4.18 to 15.10.18. 05mks

Particulars	RS.	Particulars	RS.
To Opening Stock	110000	By Sales	379000
To Purchases	300000		
To Gross Profit (20%)	75800	By Stock on Consignment	106800
		Date of Fire	
	<u>485800</u>		

Computing Loss

Stock on date of fire 106800
less: Salvage 17800
Loss 89000

02 mks

Claim = Policy * loss / Stock

$$100000 \times \frac{89000}{106800}$$

02 mks.

$$\text{Claim} = \boxed{83,333}$$

Q.4 Trading Account for the year ended 31st March (06 marks)

Particulars	2016	2017	2018	particulars	2016	2017	2018
To stock (at cost)	300600	280600	316400	By Sales	1200000	1320000	1560000
To purchases	880000	1025800	1173600	By Stock (At Cost)	280600	316400	320000
To wages	-	-	-				
To gross profit	300000	330000	390000				
					1480600	1636400	1880000

GPR 25% 25% 25%

Avg GPR = 25%

Memorandum Trading Account upto 30th April 2018

particulars	amount	particulars	amount
To Stock (opening)	320000	By Sales	198400
To purchases	156000	By Stock (Bal.fig)	327200
To wages	-		
To Gross Profit 25%	49600		
	525600		

Loss = STK - Sal = 327200 - 76000 = 251200

Claim = loss = 251200

Q.5. A) Explain the various accounting conventions.

(8)

Q.5. B) Explain the different functions of accounting.

(7)

OR

Q.5 Write Short notes on: (Any three)

(15)

1. Concepts of Accounts
2. FIFO method
3. Del Credere Commission
4. Features of Consignment
5. Fire insurance claim
