

## Financial Accounting-I (FYBBI)

<b>Q.1.a</b>	Multiple choice questions (any eight)			<b>08</b>
<b>1.</b>	Ledger			
<b>2.</b>	Petty Cash Book			
<b>3.</b>	Entity			
<b>4.</b>	Cash Book			
<b>5.</b>	Valuation of Inventories			
<b>6</b>	Vendor			
<b>7.</b>	Purchase Return			
<b>8</b>	FIFO			
<b>9</b>	More			
<b>10</b>	ICAI			
<b>b.</b>	<b>Match the followings (any seven)</b>			<b>07</b>
	<b>1</b>	Bank of Baroda		
	<b>2</b>	Commission		
	<b>3</b>	Machinery		
	<b>4</b>	Overdraft		
	<b>5</b>	Returns Outward		
	<b>6</b>	Cost match with revenue		
	<b>7</b>	Return Inward		
	<b>8</b>	Disclosure of all policies		
	<b>9</b>	Depreciation of Accounting		
	<b>10</b>	Continuation of Business		
<b>Q.2</b>	In the Journal of Rohan			<b>08</b>
	<b>Date</b>	<b>Particulars</b>	<b>Dr. Amt</b>	<b>Cr. Amt.</b>
	Oct2 015	Cash A/c ____ Dr.	50,000	
	01	Bank A/c ____ Dr. To Capital A/c	35,000	85,000
	02	Purchase A/c ____ Dr. To Amit A/c	40,500	40,500
	05	Purchase A/c ____ Dr. To Cash A/c	25,000	25,000
	15	Anil A/c ____ Dr. To Sales A/c	20,000	20,000
	20	Cash A/c ____ Dr. To Sales A/c	25,000	25,000
	25	Bank A/c ____ Dr. To Anil A/c	20,000	20,000
	30	Rent A/c ____ Dr. To Cash A/c	500	500

<b>b</b>	In the Books of M/s Shamsunder Trail Balance				<b>07</b>																																	
	Debit Balances	Amt	Credit Balances	Amt																																		
	Debtors	20,000	Capital	1,00,000																																		
	Fixed Assets	92,000	Sales	1,10,000																																		
	Cash	15,000	Return Outwards	1,000																																		
	Wages and salaries	30,000	Bills Payable	8,000																																		
	Bills Receivable	15,000	Bank Overdraft	11,000																																		
	Rent	6,000	Creditors	20,000																																		
	Purchases	70,000																																				
Return Inward	2,000																																					
Total	2,50,000	Total	2,50,000																																			
<b>OR</b>																																						
<b>Q.2</b>	State giving reasons, whether you will consider the following items as Capital, Revenue or Deferred				<b>8</b>																																	
<b>a)</b>	<ol style="list-style-type: none"> <li>1. Capital expenditure Reason = Cost incurred in connection with acquisition of n asset</li> <li>2. Revenue Receipt Reason = Recurring in nature</li> <li>3. Revenue Receipt Reason = Recurring in nature</li> <li>4. Differed Revenue Expenditure Have long term benefit but no reflection in any fixed asset</li> </ol>																																					
<b>b)</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Particulars</th> <th style="text-align: center;">Rs.</th> <th style="text-align: center;">Rs.</th> </tr> </thead> <tbody> <tr> <td>Balance as per Pass Book</td> <td></td> <td style="text-align: right;">6,700</td> </tr> <tr> <td><b>Add:-</b> Debtors Direct Deposited</td> <td style="text-align: right;">350</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Cheque issued not presented</td> <td style="text-align: right;"><u>2,000</u></td> <td style="text-align: right;"><u>2,350</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">9050</td> </tr> <tr> <td><b>Less:-</b> Rent</td> <td style="text-align: right;">1,250</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Cheque not sent for collection</td> <td style="text-align: right;">550</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Cheque Deposited not collected</td> <td style="text-align: right;">1,000</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Interest</td> <td style="text-align: right;">200</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Charges</td> <td style="text-align: right;"><u>75</u></td> <td style="text-align: right;"><u>(3,075)</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><b><u>5,975</u></b></td> </tr> </tbody> </table>				Particulars	Rs.	Rs.	Balance as per Pass Book		6,700	<b>Add:-</b> Debtors Direct Deposited	350		Cheque issued not presented	<u>2,000</u>	<u>2,350</u>			9050	<b>Less:-</b> Rent	1,250		Cheque not sent for collection	550		Cheque Deposited not collected	1,000		Interest	200		Charges	<u>75</u>	<u>(3,075)</u>			<b><u>5,975</u></b>	<b>07</b>
Particulars	Rs.	Rs.																																				
Balance as per Pass Book		6,700																																				
<b>Add:-</b> Debtors Direct Deposited	350																																					
Cheque issued not presented	<u>2,000</u>	<u>2,350</u>																																				
		9050																																				
<b>Less:-</b> Rent	1,250																																					
Cheque not sent for collection	550																																					
Cheque Deposited not collected	1,000																																					
Interest	200																																					
Charges	<u>75</u>	<u>(3,075)</u>																																				
		<b><u>5,975</u></b>																																				
<b>Q.3</b>	In the Books of Sebastian Statement Showing calculation of Interest				<b>15</b>																																	
	Date	Particulars	Amount																																			
	1/04/2011	Cost	2,50,000																																			
	1/04/2011	<u>Less</u> Down payment	<u>50,000</u>																																			
	1/04/2011	Balance	2,00,000																																			
	31/03/2012	<u>Add</u> Interest @05%	<u>10,000</u>																																			
	31/03/2012	<u>Balance</u>	2,10,000																																			
	31/03/2012	<u>Less</u> First Installment	<u>60,000</u>																																			
	31/03/2012	<u>Balance</u>	1,50,000																																			
	31/03/2013	<u>Add</u> Interest @05%	<u>7,500</u>																																			
	31/03/2013	<u>Balance</u>	1,57,500																																			

31/03/2013	<u>Less</u> Second Installment	<u>57,500</u>
31/03/2013	Balance	1,00,000
31/03/2014	<u>Add</u> Interest @05%	<u>5,000</u>
31/03/2014	Balance	1,05,000
31/03/2014	<u>Less</u> First Installment	<u>55,000</u>
31/03/2014	Balance	50,000
31/03/2015	<u>Add</u> Interest @05%	<u>2,500</u>
31/03/2015	Balance	52,500
31/03/2015	<u>Less</u> First Installment	<u>52,500</u>
31/03/2015	Balance	NIL

Machinery A/c

Date	Particulars	Amt	Date	Particulars	Amt
1.4.11	To Vendor	2,50,000	31.3.12	By Dep	25,000
				By Bal c/d	2,25,000
		<b>2,50,000</b>			<b>2,50,000</b>
1.4.12	To Bal b/d	2,25,000	31.3.13	By Dep	22,500
				By Bal c/d	2,02,500
		<b>2,25,000</b>			<b>2,25,000</b>
1.4.13	To Bal b/d	2,02,500	31.3.14	By Dep	20,250
				By Bal c/d	1,82,250
		<b>2,02,500</b>			<b>2,02,500</b>
1.4.14	To Bal b/d	1,82,250	31.3.15	By Dep	18,225
				By Bal c/d	1,64,025
		<b>1,82,250</b>			<b>1,82,250</b>

Vendor A/c

Date	Particulars	Amt	Date	Particulars	Amt
1.4.11	To Cash	50,000	1.4.11	By Machinery	2,50,000
31.3.12	To Cash	60,000	31.3.12	By Interest	10,000
31.3.12	To bal c/d	1,50,000			
		<b>2,60,000</b>			<b>2,60,000</b>
31.3.13	To Cash	57,500	1.4.12	By Bal b/d	1,50,000
	To bal c/d	1,00,000	31.3.13	By Interest	7,500
		<b>1,57,500</b>			<b>1,57,500</b>
31.3.14	To Cash	55,000	1.4.13	By Bal b/d	1,00,000
31.3.14	To bal c/d	50,000	31.3.14	By Interest	5,000
		<b>1,05,000</b>			<b>1,05,000</b>
31.3.15	To Cash	52,500	1.4.14	By Bal b/d	50,000
			31.3.15	By Interest	2,500
		<b>52,500</b>			<b>52,500</b>

OR

## FIFO Method

Date	Purchase			Issue			Balance		
	Units	Rate	Amt	Units	Rate	Amt	Units	Rate	Amt
01 Dec	5000	14	70,000				5000	14	70,000
07 Dec				1200	14	16,800	3800	14	53,200
16 Dec				2600	14	36,400	1200	14	16,800
18 Dec	4200	13	54,600				1200	14	16,800
							4200	13	54,600
19 Dec				1200	14	16,800	3600	13	46,800
				600	13	7,800			
22 Dec	3800	9	34,200				3600	13	46,800
							3800	9	34,200
30 Dec				3400	13	44,200	200	13	2,600
							3800	9	34,200
31 Dec				200	13	2,600	<b>3800</b>	<b>9</b>	<b>34,200</b>

## Weighted Average method

Date	Purchase			Issue			Balance		
	Units	Rate	Amt	Units	Rate	Amt	Units	Rate	Amt
01 Dec	5000	14	70,000				5000	14	70,000
07 Dec				1200	14	16,800	3800	14	53,200
16 Dec				2600	14	36,400	1200	14	16,800
18 Dec	4200	13	54,600				5400	13.22	71,400
19 Dec				1800	13.22	23,796	3600	13.22	47,604
22 Dec	3800	9	34,200				7400	11.05	81,804
30 Dec				3400	11.05	37,570	4000	11.06	44,234
31 Dec				200	11.06	2,212	<b>3800</b>	<b>11.06</b>	<b>42,022</b>

**Q.4. a**

In the books of\_\_\_\_  
Manufacturing A/c

**08 Marks**

Particulars		Amt.	Particulars		Amt
To opening Stock WIP		57,000	By Closing Stock WIP		23,000
<u>To Raw Matrs Consumed</u>					
Opening Stock Raw Mate.	54,000				
+ Purchases	2,20,000		By Cost of Production		
- Purchase Return	(20,000)		Transferred to Trading A/c		3,27,850*
+Carriage	7,500				
+Freight	500				
- Closing Stock Raw Mate	<u>(46,000)</u>	2,16,000			
To Direct Wages		50,000			
To Factory Rent		7,500			
To Factory Power		8,500			
To Dep. On Plant		11,500			
To Royalties		350			
		<b><u>3,50,850</u></b>			<b><u>3,50,850</u></b>

**b.**

In the Journal of

**07**

Date	Particulars	Dr. amt	Cr. Amt
i)	Closing Stock A/C_____ Dr. To Trading A/c	2,20,000	2,20,000
ii)	Depreciation A/c _____Dr. To Bldg A/c To Plant A/c	24,500	15,000 9,500
iii)	Goods Distributed as a free sample A/c___ Dr. To Trading A/c	2,000	2,000
iv)	Drawing A/c _____Dr. To Trading A/c	2,500	2,500
v)	Prepaid Expenses A/C _____Dr To Insurance Premium	7,700	7,700
vi)	Salaries      A/C _____Dr Rent          A/C _____Dr To Outstanding Expenses	40,000 18,000	58,000
vii)	Profit and Loss A/c _____Dr To Provision for Doubtful debts A/c	3,200	3,200

**OR**

**In the books of Chris Ltd  
Manufacturing Account**

Particulars	Amt	Amt	Particulars	Amt	Amt
To opening Stock WIP To Raw Matrs Consmd		14,000	By Closng Stck WIP		8,000
Openg Stock Raw Matrs	24,000				
+ Purchases	1,94,000				
+ Octroi	22,000				
- Clog Stck Raw Matrs	(16,000)				
		2,24,000			
Direct Wages	1,14,000				
+ Outstanding	(2,000)	1,16,000			
Factory Rent		14,000	By Cost of Production Transfd to Trading A/c		4,11,000
Other Direct Expenses	24,000				
- Prepaid	(1,000)	23,000			
Indirect Wages		16,000			
Dep on Machinery		12,000			
		<b><u>4,19,000</u></b>			<b><u>4,19,000</u></b>

**Trading Account**

Particulars	Amt	Amt	Particulars	Amt	Amt
To opening Stock FG		40,000	By Sales		6,20,000
To Cost of Production		4,11,000	By Closing Stock FG		20,000
To Gross Profit		1,89,000			
		<b><u>6,40,000</u></b>			<b><u>6,40,000</u></b>

**Profit and Loss Account**

Particulars	Amt	Amt	Particulars	Amt	Amt
To Administration Exp		62,000	By Gross Profit		1,89,000
To Selling Exp		26,000			
To Interest		14,000			
To Discount Allowef		8,000			
To Bad Debts	2000				
- Old R. D. D.	(6000)				
+ Net Loss	<u>5000</u>	1000			
To Net Profit		78000			
		<b><u>189000</u></b>			<b><u>1,89,000</u></b>

**Balancesheet**

Liabilities	Amt	Amt	Assets	Amt	Amt
Capital	1,70,000		Machinery	120,000	
- Drawings	42,000		- <u>Depreciation</u>	<u>( 12,000)</u>	1,08,000
+ Net Profit	<u>78,000</u>				
Bills payable		14,000	Sundry Debtors	1,00,000	
Creditors		50,000	- <u>RDD</u>	<u>( 5,000 )</u>	95,000
Outstanding Direct Wages		2,000	Cash		24,000
			Prepaid Insurance		1,000
			<u>Closing stock</u>		
			Raw Matrs	16,000	
			WIP	8,000	
			FG	<u>20,000</u>	44,000
		<b><u>2,72,000</u></b>			<b><u>2,72,000</u></b>

<b>Q.5 a.</b>	<b><u>Accounting</u></b> Definition <b><u>Principles</u></b> Business Entity, Money measurement, Cost, Going concern, Realisation, Accrual Dual aspect, Consistency, Conversation, Disclosure, Materiality, Revenue Recognition, Matching	<b>08</b>
<b>b.</b>	<b><u>Revenue Expenditure</u></b>	<b><u>Capital Expenditure</u></b>
	Meaning	Meaning
	Business Activity	Investing activity
	Helps to run Business	Helps to set up and develop a business
		<b>07</b>

	Helps to maintain an asset	Helps to acquire a new asset	
	Recurring	Non Recurring	
	Short term benefit	Long term Benefit	
	Examples	Examples	
	<b><u>OR</u></b>		
	<b>Give Short Note (Any three)</b>		
<b>1</b>	Sales Return Book		
<b>2</b>	IFRS		
<b>3</b>	Accounting Standard 10		
<b>4</b>	Revenue receipts		
<b>5</b>	Internal Voucher		
	*****		