



KA-3505

First Year B. B. A. (Sem. I) Examination
October / November – 2012
Financial Accounting - I

Time : 3 Hours]

[Total Marks : 70

Instructions :

(1)

नीचे दशांशक निशानीवाणी विगतो उत्तरवली पर अवश्य लभवी. Fillup strictly the details of signs on your answer book.	Seat No.:
Name of the Examination :	
First Year B. B. A. (Sem. 1)	
Name of the Subject :	
Financial Accounting - 1	
Subject Code No. : 3 5 0 5	Section No. (1, 2,.....) : NIL
	Student's Signature

- (2) Q. No. 1 is compulsory.
(3) Calculations should be part of your answer.

1 Answer the following :

- (a) Weighted average price of 100 units is Rs. 28, 2
if the purchase price of 40 units is Rs. 25, find out the
purchase price of the remaining units.
- (b) Where would you put the balances of the following 4
accounts ? Why ?
- Debtors
 - Prepaid Salary
 - Goods lost due to theft
 - Apprentice Premium
 - Interest Received
 - Carriage Inward
 - Capital
 - Unpaid Wages.

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[Contd...

(c) Following entries have been passed by Jeet. State 2

whether these entries are correctly passed. If not so, pass the correct journal entries :

(i) Umang A/c Dr. 8,000

To Bank A/c 8,000

(Being salary paid to Umang)

(ii) Purchases A/c. Dr. 15,000

To Krina A/c. 15,000

(Being goods sold to Krina earlier, now returned by her).

(d) Write on classification of Journal. 2

2 (a) Following transactions took place at Jeet Ltd. in respect of a material item. 10

Date	Receipt (Quantity)	Rate Rs.	Issue (Quantity)
(March 2012)			
2	200	2.00	-
10	300	2.40	-
15	-	-	250
18	250	2.60	-
20	-	-	200

Prepare stock ledger using

(i) Simple Average Method

(ii) Weighted Average Method.

- (b) Krisha Ltd. has a stock of 200 units on 30th June, 5
which had a value of Rs. 8,400. Transactions for the six
months (upto 31st Dec.) were as follows :

Month	Particulars	Units	Rate (Rs.)
July	Purchased	200	46.40
August	Purchased	500	49.40
September	Purchased	1000	52.50
October	Sales	500	66.00
November	Sales	700	70.00
December	Sales	500	75.00

Prepare stores ledger using FIFO method.

OR

- 2 From the following particulars, prepare a Bank 15

Reconciliation Statement :

- (i) Bank overdraft as per Cash Book Rs. 32,400.
- (ii) A cheque worth Rs. 1400 deposited as per bank statement but not recorded in Cash Book.
- (iii) Debit side of bank column was cast short by Rs. 200.
- (iv) A cheque of Rs. 10,000 deposited in the bank but the credit given in pass book was Rs. 9992.
- (v) A party's cheque dishonoured, recorded only in the pass book, amount Rs. 1060.
- (vi) Bank had directly collected the bills of Rs. 7,000.
- (vii) Bank charges of Rs. 50 are recorded twice in the Cash Book.

3 From the following information, prepare three

15

columnar Cash Book of Ishana :

2012

June

- 1 Opening cash balance Rs. 4,000, Bank balance Rs. 3,000.
- 2 Goods of Rs. 4,000 sold to Shreenath at 10% trade discount and cheque of necessary amount is issued by him at the same time.
- 3 Cheque issued by Shreenath is deposited in the Bank.
- 5 Goods of Rs. 6,000 sold for cash to Mansi at 10% cash discount.
- 7 Rs. 3,000 deposited in the bank.
- 8 Rs. 2,000 for salary and Rs. 500 for wages are paid by cash.
- 11 Rs. 2,000 withdrawn from bank for personal use.
- 13 Life Insurance Premium of Rs. 600 paid by cheque.
- 14 Cash Purchases Rs. 1,000
- 16 Cash sales Rs. 3,000
- 18 Shop rent of Rs. 1,200 paid in cash.
- 21 Rs. 2,000 withdrawn from bank for payment of fire insurance premium.
- 23 Fire insurance premium of Rs. 2,200 is paid in cash.
- 25 Bank has credited Rs. 100 for bank interest and Rs. 50 for commission to our bank account.
- 28 Dividend warrant of Rs. 1,500 is deposited in the bank.

OR

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3 Record the following transactions in the proper books **15**

of Shri Tejaslal :

- (1) Sold goods of Rs. 10,000 to Kapil at 10% trade discount on one month's credit.
- (2) Purchased from Sunil, goods of Rs. 20,000 at 10% trade discount on one month's credit.
- (3) Out of the goods purchased from Sunil, sold half of the goods (before deducting discount) to Gavaskar adding 25% profit on cost. Credit allowed 2 months.
- (4) Sold goods of Rs. 8,000 to Rohan for cash at 2% cash discount.
- (5) Purchased goods of Rs. 40,000 from Vinod on two months credit. Vinod sent bill charging sales tax at 5%. 50% of the amount was paid to him.
- (6) Gavaskar returned half of the goods sold to him. This was returned to Sunil. Sent credit note to Gavaskar and debit note to Sunil.
- (7) Purchased a machine from Azhar for Rs. 14,000 on two month's credit.
- (8) Sold to sangeeta goods of Rs. 7,000 at 10% trade discount on one month's credit.
- (9) Sangeeta returned entire goods and credit note was sent to her. Sent other goods of Rs. 3,000 to Sangeeta for which she made payment immediately by cheque.
- (10) Placed an order with Juhi for supply of goods of Rs. 8,000 @ 5% trade discount.

(11) Bhaskar placed an order for supply of goods of Rs. 10,000 at 5% trade discount.

(12) All the goods for which order was placed with Juhi were sent by Juhi directly to Bhaskar as per our instruction to supply goods to Bhaskar as per his order.

- 4 Chaitali purchased on 1.1.08, certain machinery for Rs. 58,200 and spent Rs. 1,800 on its erection. On 1.7.08, additional machinery costing Rs. 20,000 was purchased. On 1.7.10 the machinery purchased on 1.1.08 became obsolete and was auctioned for Rs. 28,600 and on the same date fresh machine was purchased at a cost of Rs. 40,000. 15

Depreciation was provided for annually on 31st December at the rate of 10% on written down value. In 2011, the firm changed this method of providing depreciation on original cost, at 5% p.a.

Give the machinery account as it would stand at the end of each year from 2008 to 2011.

OR

- 4 Mayur bought four motor vehicles costing Rs. 1,20,000 each on 1.5.08. He expected to fetch a scrap value of 25% of the cost price of the vehicles after 10 years. He depreciated the vehicles under the fixed installment method upto 31.12.10. 15

W.e.f. 1.1.11 he decided to introduce diminishing balance method at depreciation @ 20% p.a. after he had sold one of the vehicles at Rs. 70,000 on 31.12.10.

Prepare Motor Vehicles Account for the year 2008, 2009, 2010 and 2011. Accounting year being January to December.

5 Write short notes : (any three) 15

- (i) Functions and limitations of Financial Accounting
- (ii) Objectives of Trial Balance
- (iii) Petty Cash Book
- (iv) Methods of Recording Depreciation
- (v) Going Concern Concept.