



DE-2625

First Year B. Com. (Honours) (Sem. I) Examination
March / April - 2016
Financial Accounting (Comp.) : Paper - I

Time : 2 Hours]

[Total Marks : 50

Instruction :

नीचे दृष्टावेक निशानीवाणी विगतो उत्तरवडी पर अवश्य कभवी. Fillup strictly the details of signs on your answer book.	Seat No. :
Name of the Examination :	<input type="text"/>
<input type="text" value="FIRST YEAR B. COM. (HONOURS) (SEM. 1)"/>	<input type="text"/>
Name of the Subject :	<input type="text"/>
<input type="text" value="FINANCIAL ACCOUNTING (COMP.) : PAPER - 1"/>	<input type="text"/>
Subject Code No. : <input type="text" value="2"/> <input type="text" value="6"/> <input type="text" value="2"/> <input type="text" value="5"/>	<input type="text"/>
Section No. (1, 2,.....) : <input type="text" value="Nil"/>	<input type="text"/>
	Student's Signature

1 Write answers in short :

- (1) Give fundamental accounting assumptions. **3**
- (2) Draw up purchase book from the following particulars : **4**

June 1 Purchased from A Ltd. on credit : 50 Black and White T.V. at Rs. 3,000 each, less 10% trade discount. 10 Colour T.V. at Rs. 6,000 each, less 10% trade discount.

9 Purchased from B Ltd. on credit : 10 pieces of Taperecorder at Rs. 1,000 each, less 10% trade discount. 10 pieces of two-in-one at Rs.1,500 each, less 10% trade discount.

19 Purchased from C Ltd. on credit : 100 pieces of Gramophone records at Rs. 30 each, less trade discount at 5%.

29 Purchased from D Ltd. on credit for office use – 10 dozen of carbon papers at Rs. 35 per dozen, 10 dozen of ball pens at Rs. 25 per dozen.

(3) Pass journal entries to rectify the following : 3

(1) An amount of Rs. 200 withdrawn by the proprietor for his personal use has been debited to trade expenses account.

(2) Rs. 375 paid on account of salary to the cashier Kohli stands debited to his personal account.

2 The following is the Trial Balance of Shri Mehta as at 14
31.3.14.

Particulars	Dr. (Rs.)	Cr. (Rs.)
Stock (1.4.13)	45,000	-
Sales	-	3,25,000
Purchases	2,40,000	-
Capital	-	1,30,000
Wages	10,000	-
Salaries	15,000	-
Dis. allowed	3,000	-
Creditors	-	35,000
Rent and Rates	2,000	-
Trade expenses	15,000	-
Purchase Return	-	3,000
Furniture (1.4.13)	18,000	-
Building	35,000	-
Dis. received	-	2,300
Drawings	10,000	-
Bank current A/c	24,000	-
Fixed Deposit Bank A/c	16,000	-
Pro. for Doubtful debts	-	1,500
Debtors	45,000	-
Bills receivable	10,000	-
Cash	8,000	-
Sales Return	-	2,000
Sales of Furniture	2,000	-
Total	4,98,000	4,98,000

Prepare trading and profit and loss A/c for the year ended 31.3.14 and balance sheet.

- (1) Stock on 31.3.14 Rs. 40,000
 - (2) Opening and closing stock includes stock of stationery amounting to Rs. 200 and Rs. 150 respectively. Trade expenses include payment of stationery of Rs. 1,800. Credit purchase of stationery for Rs. 450 recorded as ordinary purchases. Stationery of Rs. 300 is consumed by the proprietor.
 - (3) Furniture which stood in the books of Rs. 2,000 on 1.4.13 was sold on 30.9.13.
 - (4) Bills receivable include a dishonoured bill of Rs.1,500 and debtors include an amount of Rs. 1,000 in respect of an insolvent customer whose estate is expected to realize only 50 paise in the rupee.
 - (5) Shri Mehta received Rs. 15,000 from Mr. Desai in respect of Joint Business with him. The sum received so credited to sundry creditors account. It is noted that a sum of Rs. 5,000 is due to Shri Mehta as his share of profit from the business.
 - (6) During the year the proceeds of a matured fixed deposit amounting to Rs. 14,000 has been credited to fixed deposit account. The original amount was Rs. 10,000.
 - (7) Provide depreciation on all fixed assets at 10% p.a. and provide 5% for doubtful debts of unknown nature.
- 3** (a) A firm purchased on 1st January, 2010 certain machinery for Rs. 77,600 and spent Rs. 2,400 on its erection on 1st September, 2010 additional machinery costing Rs. 30,000 was purchased on 1st October, 2012 the machinery purchased on 1st January, 2010 having become obsolete was auctioned for Rs. 32,000 and on the same date fresh machinery was purchased at a cost of Rs. 48,000.

7

Depreciation was provided for annually on 31st December at the rate of 20% on written down value. On 2013, however, the firm changed this method of providing depreciation and adopted the method of providing 12.5% per annum depreciation on the original cost of the machinery.

Give the machinery account as it would stand at the end of each year from 2010 to 2013.

- (b) Pass the necessary journal entries for the following transactions : 7
- (i) Alok started business by introducing the following assets :
Cash Rs. 10,000, Furniture Rs. 20,000, Plant Rs. 30,000, Goods Rs. 20,000
 - (ii) He purchased goods of the invoice value of Rs. 10,000 at 10% trade discount from Akash.
 - (iii) He supplied goods costing Rs. 1,000 to Arpit at a invoice price of 10% above cost at a trade discount of 5%.
 - (iv) He installed further machinery of Rs. 20,000 and paid wages for installation Rs. 2,000. The machinery was supplied by M/s. Hafiz Brothers.
 - (v) He purchased stationery for business purposes Rs. 500.
 - (vi) He sold goods to annual for Rs. 5,000
 - (vii) He withdrew goods for personal use costing Rs. 5,000 (sale value Rs. 6,000)
 - (viii) He distributed goods costing Rs. 2,000 (sale value Rs. 2,500 as free samples)
 - (ix) Anmol became insolvent and the whole money due from him was considered as a bad debt.
 - (x) He sold goods for cash Rs. 20,000
 - (xi) Salaries paid Rs. 10,000 after deduction Rs. 1,000 as income tax, Rs. 1,500 as employee's share of provident fund but before employer's share of provident fund Rs. 1,500.
 - (xii) Amount due from Anmol earlier written off bad debts recovered in full.
 - (xiii) Amount paid to Akash Rs. 8,500 in full satisfaction.
 - (xiv) Income tax liability of Alok Rs. 1,000 paid in cash.

- 4 Write short notes : (any **three**) 12
- (i) Objectives of Accounting
 - (ii) Causes of depreciation
 - (iii) Self balancing ledger
 - (iv) Classification of expenses
 - (v) Branches of Accounting.