



UA-3505

First Year B. B. A. (Sem. I) Examination

March/April - 2012

Financial Accounting - I

Time : 3 Hours]

[Total Marks : 70

Instructions :

(1)

नीचे दृष्टवित्त निशानीवाणी विगतो उत्तरवही पर अवश्य लपवी.
Fillup strictly the details of signs on your answer book.

Name of the Examination :

Name of the Subject :

Subject Code No. : Section No. (1, 2,.....) :

Seat No. :

Student's Signature

- (2) Question no. 1 is compulsory.
- (3) Figures to the right indicate marks.
- (4) Calculations should be part of your answer.

- 1 (a) Jeet Cloth stores has 15,000 mtrs. of cloth on 1st January, 2011 valued at Rs. 1,50,000 on LIFO method. It purchased 20,000 mtrs. during the period ending 30th June, 2011 at the rate of Rs. 12 per mtr. and sold during the same period 30,000 mtrs at Rs. 25 per mtr. Ascertain the profit of the firm during the period ending 30th June, 2011. The closing stock to be valued on LIFO method. 3
- (b) Krisha purchased a machinery on 1-4-11 at Rs. 7,200. The scrap value after 10 yrs. is expected at Rs. 1,700. If depreciation is written OFF by equal instalments every March, 31. Show Machinery A/c. for 3 years and calculate rate of depreciation. 4
- (c) What is suspense account ? Why and when it is prepared ? 3

- 2 Yuti bought a machine for Rs. 25,000 on which she spent Rs. 5,000 for carriage and freight, Rs. 1,000 for brokerage of the middleman, Rs. 3,500 for installation and Rs. 500 for an iron pad. The machine is depreciated @ 10% every year on written down value basis. After 3 years the machine was sold to Jagravi for Rs. 30,500 and Rs. 500 was paid as commission to the broker through whom the sale was effected. Prepare machinery account for 3 years. 15

OR

- 2 On 1-1-08 machinery was purchased by Dhaval for Rs. 50,000. On 1-7-09, additions were made to the extent of Rs. 10,000. On 1-4-10, further additions were made to the extent of Rs. 6,400. On 30-6-11, machinery original value of which was Rs. 8,000 on 1-1-08, was sold for Rs. 6,000. Depreciation is charged @ 10% p.a. on original cost. Show machinery account for the years from 2008 to 2011 in the books of Dhaval, who closes his books on 31st December. 15

- 3 From following details of a spare part of Pandya Mills, find out the value of stock as on 31-3-11 if the company follows : 15
- First in First out Basis
 - Weighted Average Basis.

Date		
1-1-11	Opening stock	Nil
1-1-11	Purchases	100 units @ Rs. 30 per unit
15-1-11	Issued for consumption	50 units
1-2-11	Purchases	200 units @ Rs. 40 per unit
15-2-11	Issued for consumption	100 units
20-2-11	Issued for consumption	100 units
1-3-11	Purchases	150 units @ Rs. 50 per unit
15-3-11	Issued for consumption	100 units

OR

- 3 From the following particulars prepare a Bank Reconciliation statement of Mr. Dave as at 31-12-10 : 15
- Bank balance as per cash book (credit) Rs. 610.
 - Cheques issued but not presented Rs. 3,000.
 - Cheques deposited but not credited by bank Rs. 2,500.

- (4) A cheque drawn in favour of Mr. Patel Rs. 100 had been incorrectly entered as Rs. 10 in the cash book.
- (5) A debtor directly deposited cheque to Mr. Dave Bank Account but this was not recorded in cash book Rs. 1,000.
- (6) Credit side of the cash book (Bank column) was under cast by Rs. 500.
- (7) A cheque of Rs. 5,000 drawn by Mr. Shah, has been debited to Mr. Dave Account by error.
- (8) Bank paid a bill payable for Rs. 1,450 but it was recorded in cash book as Rs. 1,540.
- (9) The receipt column of the cash book has been overcast by Rs. 1,000.
- (10) Discount allowed Rs. 410 has been entered by mistake in the bank column of the cash book.
- (11) Mr. Dave instructed the bank on 31-12-10 to transfer Rs. 10,000 to fixed deposit A/c. which he entered in his cash book immediately. But the bank acted on the instruction on 2-1-11.
- (12) Bank debited Mr. Dave Account with Rs. 500 being the amount of a cheque deposited by him as it was dishonoured. This was however not entered in his cash book.
- (13) Cheques amounting to Rs. 300, though actually deposited in the bank, were not recorded in Mr. Dave's cash book.

- 4 • Bombaywala gives you the following information about his 15
business. You are required to record them in proper subsidiary
books and post them to ledger :

2011

March,

1	Bought goods from Daruwala	Rs. 12,000
2	Sold goods to Devidutt.....	Rs. 8,700
2	Bought goods from Batliwala.....	Rs. 13,500
3	Sold goods to Peepawala	Rs. 9,500
5	Returned goods to Batliwala.....	Rs. 800
8	Peepawala returned goods	Rs. 200
11	Sold goods to Ahemdbhai.....	Rs. 12,800
15	Ahemdbhai returned goods	Rs. 1,200
17	Goods bought from Nariman.....	Rs. 13,700
18	Goods purchased from Nariman returned with a debit note	Rs. 3,700

24	Goods sold to Deshbandhu	Rs. 13,000
25	Sold goods to Devidatt	Rs. 1,280
27	Goods purchased from Daruwala	Rs. 18,000
29	Goods sold to Peepawala	Rs. 15,000
30	Peepawala returned goods	Rs. 1,300
31	Goods returned to Daruwala	Rs. 400

OR

- 4 The following transactions have been made by M/s. Jeet Traders in the month of July, 2011. Record them in 3 column cash book : 15

July,

- 1 Cash on hand Rs. 4,000 and overdraft Rs. 6,000.
- 2 Paid salaries Rs. 1,200 and rent by cheque of Rs. 400 on personal account of proprietor.
- 5 Cash sales amounted to Rs. 5,000 and cash purchase amounted to Rs. 1,200.
- 7 Issued a bearer cheque in favour of Ansh of Rs. 1,080 in full settlement of Rs. 1,200.
- 8 Sold investment having a face value of Rs. 2,000 at Rs. 4,000 and deposited the amount in Bank.
- 12 Paid Rs. 2,000 by cheque by way of advance to Yuti Ltd. against order placed for the purchase of machinery.
- 15 Received a cross cheque from S.K. Ltd. for Rs. 1,000 and cash Rs. 600 in full settlement of Rs. 1,640 due by them.
- 30 Deposited cash in excess of Rs. 600 in the bank account.

- 5 Write short notes : (any three) 15

- (i) Limitations of Financial Accounting
- (ii) Fundamental Accounting Assumptions
- (iii) Sinking Fund Method of Depreciation
- (iv) Functions of Accounting
- (v) Dual Aspect Concept.