



UA-3523

**First Year B. B. A. (Sem. II) (A.T.K.T.) Examination**  
**March / April – 2012**  
**Financial Accounting & Elements of Costing**

Time : 3 Hours]

[Total Marks : 70

**Instructions :**

(1)

नीचे दशांशिक निशानीवाणी विगतो उत्तरवही पर अवश्य कर्तवी. Fillup strictly the details of signs on your answer book.	Seat No. :
Name of the Examination :	<input type="text"/>
First Year B. B. A. (Sem. II) (A.T.K.T.)	<input type="text"/>
Name of the Subject :	<input type="text"/>
Financial Accounting & Elements of Costing	<input type="text"/>
Subject Code No. : 3 5 2 3	Section No. (1, 2,.....): Nil
Student's Signature	

- (2) Use of simple calculator is permitted.
- (3) Calculation should form part of the answer wherever necessary.
- (4) Figures to the right indicate marks of the question.

1 From the following trial balance Shri Dhaval as on 31<sup>st</sup> December 2011, prepare a Trading Account and profit and loss account for year ended on 31st December 2011 and a Balance Sheet as on that date. 15

**Trial Balance**

Name of Account	Debit (Rs.)	Credit (Rs.)
Capital Account.....	-	80,000
Drawing Account.....	6,000	-
Plant and Machinery (Balance as on 1 <sup>st</sup> January 2011).....	20,000	-

Plant and Machinery

(Addition on

1 <sup>st</sup> July 2011).....	5,000	----	
Stock (1st Jan. 2011).....	15,000	----	
Purchases.....	82,000	----	
Sales Returns .....	2,000	----	
Debtors .....	20,600	----	
Furniture .....	5,000	----	
Freight and Duty.....	2,000	----	
Carriage Outward.....	500	----	
Rent, Rates and Taxes .....	4,600	----	
Stationary exp. ....	800	----	
Trade exp. ....	400	----	
Creditors.....	--		10,000
Sales .....	--		1,20,000
Purchase Returns.....	--		1,000
Postage and Telegram .....	800	----	
Provision for Doubtful Debts .....	--		400
Discount.....	--		800
Rent of Premises			
(Sublet for year upto			
30 <sup>th</sup> June '12).....	--		1,200
Insurance .....	700	----	
Salaries and Wages .....	21,300	----	
Cash on hand .....	6,200	----	
Cash at Bank .....	20,500	----	
.....	2,13,400	----	2,13,400

**Adjustments :**

- (i) Closing stock is valued at Rs. 14,000
- (ii) Write off Rs. 600 as bad debts.
- (iii) Insurance prepaid Rs. 100.
- (iv) The provision for doubtful debts is to be maintained at 5% on debtors.
- (v) Create a provision for discount on debtors and discount on creditors at 2%
- (vi) Provide for depreciation on furniture at 2% and on plant and machinery at 20% per annum.
- (vii) A fire occurred on 25th December, 2011, in the godown and stock of the value of Rs. 5,000 was destroyed. It was fully insured and the insurance company admitted the claim in full.

**2 Answer the following :**

- (i) Capital A/c is a/an\_\_\_\_\_ account and drawings A/c is a/an\_\_\_\_\_ Account. **2**
- (ii) Match the phrases in A group with those given in B group. **3**

**Group A**

**GroupB**

Trade Discount

it is a business loss

When goods are burnt by fire

it is treated as income

When bad debt is recovered

is not recorded in the books

- (iii) Classify the following assets into Tangible, Intangible and fictitious assets. **3**

Goodwill, cash, patent, advertisement suspense account, scooter, Underwriting commission.

- (iv) Passbook and cash book. (Explain the meaning) **2**

- 3** Record the following transactions in the columnar cash book with cash, bank and discount columns for Shri Ashok for the month of March, 2012. **10**

- March 1 Cash on hand Rs. 10,000, B.O.D. Rs. 15,000
- 1 Additional capital brought in the business by selling his personal scooter for Rs. 20,000 and the amount deposited in the bank.
- 5 Cash sales of Rs. 20,000 at 10% trade discount and 2% cash discount.
- 8 Sold goods to Chirag Rs. 10,000 at 10% trade discount and he gave crossed cheque for half the amount.
- 10 Withdrew from the bank Rs. 5,000 for personal expenses.
- 15 Cheque of Chirag was dishonoured and he gave cash against the cheque.
- 20 Received 3% commission on total sales of Rs. 3,00,000.
- 22 Cash deposited in the bank Rs. 10,000
- 25 Received a crossed cheque for Rs. 9,700 from Ramesh in full settlement of his account of Rs. 10,000
- 28 Issued a cheque to Amar for Rs. 7,840 after deducting 2% cash discount.
- 29 Salary paid to Ashwin Rs. 5,000 by cash and rent to landlord by cheque Rs. 8,000.
- 31 Keeping Rs. 1,000 cash on hand, the balance deposited in the bank.

**OR**

- 3** Enter the following transactions in the purchase book, Sales Book, Return Books and Journal of Akash. **10**

March 1 Purchased good from Anil for Rs. 6,300  
3 Sold goods to Shital for Rs. 10,000  
4 Bought furniture from Mohan furniture mart for Rs. 5,000  
5 Sold goods to Arpan for Rs. 11,400.  
7 Shital returned goods worth Rs. 3,500  
12 Bought goods worth Rs. 15,000 from Atul at 10% trade discount  
15 Returned goods to Anil Rs. 2,500  
17 Sold machinery to Ajay Rs. 6,000  
20 Returned goods to Atul Rs. 3,000  
23 Paid to Anil the amount due for purchase made on 1<sup>st</sup> March  
27 Received back goods worth Rs. 500 from Shital.

- 4** Newport Ltd. has imported a machine costing Rs. 2,56,000 on 1.4.09 and paid custom duty of Rs. 1,28,000 and its installation charges Rs. 96,000 were also paid on the same date. Another machine worth Rs. 1,60,000 was purchased on 1.1.11. On 1.10.11, 1/3rd of the machine imported on 1.4.09 become obsolete and was sold for Rs. 55,680. On the same date another machine from local market was purchased for Rs. 80,000 as a replacement. Depreciation is to be calculated at 20% p.a. under straight line method. Show the machinery account for 3 years ending on 31.3.12. **10**

**OR**

- 4 From the following information prepare a statement showing (A) Prime Cost (B) Works Cost (C) Cost of production (D) Cost of sales (E) Net Profit. 10

Particulars	Rs.	Particulars	Rs.
<b>Opening stock :</b>		Purchases of Raw Materials	82,000
Raw Materials	24,000	Sales	1,90,000
Finished Goods	16,000	Direct Wages	32,000
<b>Closing Stock :</b>			
Raw Materials	20,000	Factory wages	1,000
Finished Goods	17,000	Carriage Inward	2,000
Carriage Outward	1,500	Office Rent and Taxes	7,000
Power Coal	5,000	Postage and telegrams	2,000
Office Salaries	13,000	Salesmen's Salary	3,000
Printing and Stationary	1,000	Depreciation on plant	3,000
Advertisement	2,000	Bad Debts	500
Factory rent and taxes	2,000		

- 5 Prepare Bank Reconciliation statement from the following particulars : 10

- (i) Balance as per pass book is Rs. 60,000 as on 31.12.11.
- (ii) Debit balance of Bank column of cash book was carried at Rs. 15,000. On 18.12.2011, actual balance as on 17.12.11 was RS. 10,500.
- (iii) Receipts side of the cash book is overcost by Rs. 4,000
- (iv) Bank interest was credited Rs 1,360 in pass book, it has been credited in cash book as Rs. 1,630.
- (v) Purchase of Rs. 5,100 by cheque was wrongly entered in cash column as Rs. 5,010.
- (vi) Cheques deposited into Bank for Rs. 50,000 of which one cheque of Rs. 12,500 was credited in January.

OR

- 5 From the following transactions of purchases and issues of materials during the period from 1st January 2012, to 31<sup>st</sup> March 2012. Prepare stock register as per LIFO method. 10

Purchases			Issues	
Date	Units	Rate (P.V.) Rs.	Date	Units
3.1.12	4,000	5	1.2.12	2,000
23.1.12	500	4	15.2.12	4,000
9.2.12	6,000	6	3.3.12	1,000
13.3.12	4,500	5	20.3.12	5,000

*Additional Information :*

- (i) Stock on 1<sup>st</sup> January 2012 was 1,000 units at of Rs. 4 per unit.
- (ii) From the issues on 3<sup>rd</sup> March, 200 units have been returned back to stores on 5<sup>th</sup> March.
- (iii) Physical checking of stores on 31<sup>st</sup> March revealed shortage of 100 units.
- 6 Write short notes : 15
- (i) Dual aspect concept
- (ii) Passbook and cash book
- (iii) Going Concern Concept
- (iv) Cost centers
- (v) Cost Accounting V/s Financial Accounting

**OR**

- 6 (i) Advantages of Computer in relation to accountancy. 7
- (ii) Explain the various options in the menu of gateway of tally. 8