



UA-2526

First Year B. Com. (Hons) (Sem. I) Examination
March/April – 2012
Financial Accounting

Time : Hours]

[Total Marks : 70

Instructions :

(1)

नीचे दृशावेव निशानीवाणी विगतो उत्तरवडी पर अवश्य वपवी. 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. (HONS) (SEM. 1)"/>	<input type="text"/>
Name of the Subject :	<input type="text"/>
<input type="text" value="FINANCIAL ACCOUNTING"/>	<input type="text"/>
Subject Code No. : <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="6"/>	<input type="text"/>
Section No. (1, 2,.....) : <input type="text" value="Nil"/>	<input type="text"/>
	Student's Signature

(2) Figures to the right indicate marks of a question.

1 Answer as per instruction.

- (a) Goods purchased from Mr. A of Rs. 500 has been debited to his account. Rectify the entry for the above transaction. **3**
- (b) Write a definition of "accounting". **2**
- (c) State which item would be charged to capital and which to revenue. **2**
- (i) Erection charges paid for new machine Rs. 200.
- (ii) Rs. 1000 spent on painting a new factory.
- (iii) Rs. 500 spent on repairs before using a secondhand car purchased recently.
- (iv) Furniture of book value of Rs. 1000 was sold off at Rs. 600.
- (d) Write about relationship between journal and ledger. **3**

2 Enter the following transactions in the proper books including three columnar cash book. **15**

- (i) A business started by investing cash Rs. 5,000, out of which Rs. 2,000 deposited in Bank.
- (ii) Purchased goods Rs. 2,500 in cash and sold it to Mr. B at Rs. 3,000/- on credit.

- (iii) Purchased goods of Rs. 10,000 from Mr. C at 10% Trade discount and it is sold to Mr. D in cash after adding 20% profit on it at 5% cash discount.
 - (iv) Mr. D returned goods worth Rs. 1080 which is returned to Mr. C on the same day.
 - (v) Rs. 2,500 paid to Mr. E, our creditor, discount allowed by him Rs. 50.
 - (vi) Commission received by cheque Rs. 200 which deposited in the bank next day.
 - (vii) Amount paid to Mr. C by cheque and cleared his account.
 - (viii) A cheque of Rs. 7,000 received from debtor, deposited in the bank on the same day.
- 3** (a) The books of India Ltd. were closed with a difference, **10** which carried forward. The following errors were detected. Pass rectification entries. Prepare suspense account also.
- (i) Goods Rs. 125 returned to Sehwaag were recorded in the returns Inward book as Rs. 251 and from there it was posted to the debit of Sehwaag A/c.
 - (ii) A credit sale of Rs. 760 was wrongly posted as Rs. 670 to the customers account in the sales ledger.
 - (iii) closing stock was overstated by Rs. 5,000 being casting error in the schedule of inventory.
 - (iv) Paid acceptance to Sachin for Rs. 7,600 was posted to the debit of Gambhir as Rs. 6,700.
 - (v) Goods purchased from Sunil Rs. 3,250 entered in the sales day book for Rs. 3,520.
 - (vi) Rs. 1,500 being the total of the discount column on credit side of the cash book was not posted.
- (b) Write short note on "Going concern concept". **5**
- 4** (a) Machine account of X Co. had a debit balance of **10** Rs. 64,800/- on 1.1.97, depreciation being provided at 10%. On 1.7.97, a part of machine purchased for Rs. 20,000 on 1.1.95 was sold for Rs. 14,000 and on the same date a new machine which cost Rs. 40,000 was purchased. On 31.12.1997 the company decided to change the method of depreciation from written down value method to straight line method with effect from 1.1.95, depreciation remaining at 10% p.a. Show machinery account and machine disposal a/c.

(b) Explain in detail about International Accounting standard - "Disclosure of Accounting Policies." **5**

5 (a) You are required to prepare the relative 'Sales ledger' and 'general ledger' adjustment A/c from the particulars given below. **10**

Balance on 1.1.2001 Rs. 60,000

<i>Balance on Jan, 31, 2001</i>	<i>Rs</i>	<i>Balance as on 31.1.2001</i>	<i>Rs.</i>
Total sales for the month	1,80,000	Bills dishonoured Rs.	3,000
Sales return Rs.	1,000	Discount allowed to debtors Rs.	800
Cash received from debtors	80,000	Bad Debts	700
Bills receivable	30,000	Transfer from other ledger	1,500
		Bills receivable endorsed to suppliers	1,200

(b) Write short note on 'Manufacturing account'. **5**
