

[This question paper contains 2 printed pages.]

Sr. No. of Question Paper : 2549

Roll No.....

Unique Paper Code : 101103

Name of the Course : Bachelor of Financial & Investment Analysis 2013

Name of the Paper : Financial Accounting

Semester : I

Duration : 3 Hours

Maximum Marks : 75

Instructions for Candidates

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Attempt **all** questions.

1. From the following information prepare Cash Flow Statement :

Balance Sheet

Liabilities (Rs.)	01-01-12	31-12-12	Assets (Rs.)	01-01-12	31-12-12
Share Capital	600,000	800,000	Goodwill	100,000	50,000
P & L A/c	200,000	350,000	Land & Building	400,000	250,000
Debentures	150,000	80,000	Plant & Machinery	400,000	350,000
Bank Loan	0	50,000	Investments	50,000	270,000
Provision for Taxation	50,000	65,000	Debtors	40,000	80,000
Trade Creditors	50,000	55,000	Stock	60,000	50,000
Bills Payable	50,000	20,000	Cash	40,000	90,000
			Bank	10,000	280,000
	1,100,000	1,420,000		1,100,000	1,420,000

Rs. 50,000 dividend was proposed and paid during the year 2012. (15)

P.T.O.

2. Record the following transactions in an appropriate Cash Book :
2013
- | | | |
|----------|--|------|
| March 1 | Opening balance of Cash Rs. 5,000 | |
| March 1 | Opening balance of Bank Overdraft of Rs. 25,000 | |
| March 4 | Commission paid by cheque Rs. 2,000 | |
| March 6 | Received from cash sales Rs. 3,000 | |
| March 7 | Rent paid in cash Rs. 1,200 | |
| March 8 | Paid to M/s M Brothers by cheque 2,000 and earned Rs. 200 as cash discount | |
| March 10 | Received from M/s D by cheque Rs. 2,000 and allowed Rs. 100 as cash discount | |
| March 12 | Cash sales Rs. 20,000 | |
| March 16 | Deposited into bank Rs. 1,000 | |
| March 17 | Sold goods to Mr. Y for Rs.1,300 cash | |
| March 18 | Commission received in cash Rs. 500 | |
| March 20 | Cash purchases Rs. 15,000 | |
| March 25 | Withdrew Rs. 100 from bank for personal use | |
| March 31 | Salary paid in cash Rs. 5,000 | |
| March 31 | Paid telephone bill by cheque Rs. 300 | (10) |
3. Pass journal entries for the following transactions :
- | | | |
|-----------|---|------|
| 7-7-2013 | Ramesh started business by investing Rs. 50,000 cash | |
| 7-7-2013 | He purchased goods for Rs. 6,000 on credit from Ram | |
| 31-7-2013 | Paid rent of shop Rs. 1,000 | |
| 3-8-2013 | Deposited Rs. 20,000 in Punjab National Bank | |
| 4-8-2013 | Sold goods worth Rs. 3,000 for Rs. 4,000 | |
| 6-8-2013 | Paid by cheque Rs. 5,900 to Ram in full settlement of his claim | |
| 10-8-2013 | Withdrew goods worth Rs. 200 for personal use | (15) |
4. (a) What is depreciation ? How is it different from Depletion, Amortization, and Obsolescence ? (8)
- (b) Explain any two methods of calculating the periodic depreciation charge. (7)
5. (a) Highlight the advantages of using an accounting software package vis-à-vis a manual accounting system. (10)
- (b) Your friend, who is a big shopkeeper, wants to start using an accounting software package. Assume any three transactions and explain how they will be recorded using the software. (10)
- (100)

[This question paper contains 4 printed pages.]

Sr. No. of Question Paper : 1220

Roll No.....

Unique Paper Code : 101103

Name of the Paper : Financial Accounting

Name of the Course : Bachelor of Financial Investment and Analysis

Semester : I

Duration : 3 Hours

Maximum Marks : 75

Instructions for Candidates

1. Write your Roll No. on the top immediately on receipt of this question paper.
 2. All questions carry equal marks.
 3. Attempt **five** questions in all.
 4. Question No. 1 is compulsory.
 5. Use of non-scientific calculator is allowed.
 6. Answer parts of a question together. Show your workings clearly.
-
1. (a) What are accounting concepts and conventions? Describe briefly the convention of 'Full Disclosure'.
 - (b) What are the different types of ledger accounts? Classify the following accounts as per the traditional approach giving reasons for your answer :
 - (i) Bank account
 - (ii) Closing stock account
 - (iii) Bad Debts account
 - (c) What adjustment entries will be required for the following at the end of the accounting year? Give narration also.
 - (i) Rs. 2,000 included in Sundry Debtors became irrecoverable.
 - (ii) Wages paid for the erection of machinery Rs. 400.
 - (iii) Goods worth Rs. 1,500 given away as charity.
 - (iv) Drawings of goods worth Rs. 1,200.

P.T.O.

- (v) Loan amounting to Rs. 10,000 advanced to 'A', interest @ 6% p.a. not received for the last 9 months. (3×5)

2. (a) Enter the following transaction in the Purchase Returns Book of a Business Entity :

23 Oct 2012 – Returned to Shauna Brothers Delhi
 20 kgs of Sugar @ Rs. 20 per kg.
 40 kgs of Rice @ Rs. 25 per kg.
 40 kgs of Wheat @ Rs. 10 per kg.
 Trade discount received 15% on all items. (3)

- (b) Record the following transactions in the cash book with Cash, Bank and Discount columns :

Oct 1	Cash balance	200
Oct 1	Bank balance	500
Oct 3	Cash received from sale of shares	12,000
Oct 3	Paid into Bank	10,000
Oct 4	Paid Amrit by cheque	2,400
Oct 4	Received cheque from Amit	1,960
Oct 4	Allowed him discount	40
Oct 5	Paid wages by cash	500
Oct 10	Paid Amit's cheque received on Oct 4 into Bank	–
Oct 16	Bought goods for cash	1,200
Oct 18	Paid for stationary in cash	300
Oct 19	Paid Hema by cheque	750
Oct 19	Discount allowed by her	50
Oct 19	Drawn from Bank	640
Oct 20	Received from cash sales	340
Oct 24	Cash withdrawn for personal use	400
Oct 24	Received from Dev	3,600
Oct 24	Allowed him discount	150
Oct 25	Paid into Bank	400
Oct 26	Issued cheque for purchases	400
Oct 26	Paid salary by cash	650
Oct 27	Received cheque from Sanjay and paid into Bank	800
Oct 27	Drew cheque for office use	600
		(12)

3. From the following Trial Balance of Mr. Satvinder as at 31-03-2011 and additional information given, prepare Trading and Profit and Loss account for the year ending 31-03-2012 and a Balance Sheet on that date :

<i>Particulars</i>	<i>Debit (Rs.)</i>	<i>Credit (Rs.)</i>
Opening stock	25,000	–
Capital	–	2,25,000
Debtors and Creditors	30,000	17,500
Purchases and Sales	2,00,000	3,50,000
Returns	7,500	5,000
Carriage	4,000	–
Wages and Salaries	12,500	–
Commission	–	6,500
Machinery	40,000	–
Furniture	10,000	–
Bad Debts	4,000	–
Provision for Doubtful debts	–	5,000
B/R and B/P	15,000	3,500
Land and Buildings	2,00,000	–
Taxes and Insurance	8,500	–
Discount allowed	6,000	–
Bank	25,000	–
Drawings	25,000	–
Total	6,12,500	6,12,500

Additional Information :

- (i) Value of closing stock, as on 31 March 2012 is Rs. 20,000.
 - (ii) Wages and Salaries outstanding is Rs. 500 and insurance prepaid is Rs. 2,000.
 - (iii) Provide for doubtful debts on the debtors at the rate of 10%.
 - (iv) Depreciate machinery and furniture at the rate of 10% and 15% respectively.
 - (v) Goods costing Rs. 12,000 were sold on the approval basis for Rs. 15,000, but these were not approved by the customers as yet. (15)
4. (a) Briefly state the features of AS-6 related to Depreciation as recommended by ICAI. (3)

P.T.O.

- (b) Green Channel Co. purchased a second hand machine on 1st January, 2009 for Rs. 1,60,000. Overhauling and erection charges amounted to Rs. 40,000.

Another machine was purchased for Rs. 80,000 on 1st July, 2009.

On 1st July, 2011, the machine installed on 1st January 2009 was sold for Rs. 1,00,000. On the same date another machine was purchased for Rs. 30,000 and was installed on 30th September 2011.

Under the existing practice the company provides depreciation @ 10% p.a. on original cost. However, from the year 2012, it decided to adopt WDV method and to charge depreciation @ 15% p.a. This change was to be made with retrospective effect.

Prepare Machinery Account in the books of Green Channel Co. from the years 2009 to 2012. (12)

5. From the following information, prepare Cash Flow Statement :

Liabilities	1-1-2011 (Rs.)	31-12-2011 (Rs.)	Assets	1-1-2011 (Rs.)	31-12-2011 (Rs.)
Share capital	5,00,000	8,00,000	Goodwill	1,00,000	50,000
Profit & Loss	2,00,000	3,50,000	Land & Building	4,00,000	2,50,000
Debentures	1,00,000	-	Plant & Machinery	3,00,000	2,70,000
Bank Loan	-	50,000	Investments	-	2,70,000
Provision for Taxation	50,000	65,000	Debtors	40,000	80,000
Trade Creditors	50,000	55,000	Stock	60,000	50,000
Bills Payable	50,000	20,000	Cash	40,000	90,000
			Bank	10,000	2,80,000
Total	9,50,000	13,40,000	Total	9,50,000	13,40,000

Rs. 50,000 dividend was proposed and paid during the year 2011. (15)

6. Write short notes on **any 3** of the following :

- AS-10 related to Fixed Assets as recommended by ICAI.
- Board of Director's Report.
- Importance of Depreciation and its difference from depletion and amortization.
- Difference between cash flow and funds flow statement.
- Importance of computerized accounting. (3×5)

[This question paper contains 4 printed pages.]

9371

Your Roll No.

BFIA / I Sem. – 2011

BACHELOR OF FINANCIAL & INVESTMENT ANALYSIS – Paper 103

(Financial Accounting)

Time : 3 hours

Maximum Marks : 75

(Write your Roll No. on the top immediately on receipt of this question paper.)

Attempt all questions.

Qn.1

M/s ABC Enterprises executed the following transactions during the month of April 2010:

- | | |
|----------|---|
| April 1 | Cash in hand Rs. 70,500 and balance at Bank Rs. 85,000 |
| April 2 | Paid rent for the month Rs. 15,000 by cheque |
| April 10 | Deposited cash into bank Rs. 50,000 |
| April 11 | Sold goods and received cheque Rs. 90,000 |
| April 15 | Purchased goods and issued cheque Rs. 41,350 |
| April 17 | Purchased furniture and issued cheque Rs. 49,500 |
| April 18 | Received cheque from Manav Rs. 23,500 and allowed discount Rs. 500 |
| April 19 | Paid to Deepak by cheque Rs. 11,400 and he allowed discount Rs. 600 |
| April 20 | Received commission in cash Rs. 700 |
| April 21 | Paid cash to Mohan Rs. 1,900 and he allowed discount Rs. 50 |
| April 24 | Received cash from Amit Rs. 2,800 and allowed him discount Rs. 100 |
| April 29 | Withdrew cash from bank Rs. 12,000 |
| April 30 | Paid salary Rs. 33,400 and insurance premium Rs. 2,400 by cheque |

You are required to record the above transactions in appropriate Cash Book.

(15 marks)

P. T. O.

9371

Qn. 2

Following balances have been taken from the Trial Balance of M/s R K Enterprises on March 31, 2011:

Debtors	2,60,000
Bad Debts	8,500
Discount Allowed	5,000
Provision for Discount on Debtors (1/4/2010)	6,000
Provision for Bad & Doubtful Debts (1/4/2010)	12,000

Some additional information is also available as follows:

1. Mr. S, a debtor who owed us Rs. 10,000, has become insolvent and the official receiver has declared a dividend of 60%
2. Provide for Bad & Doubtful Debts @ 3% on Debtors
3. Provide for Discount on Debtors @ 2%

Show necessary journal entries in relation to the above for the purpose of preparing final accounts on March 31, 2011. Also show the effect of the above entries on final accounts. Show your working clearly.

(10 marks)

Qn. 3

From the information given below prepare Trial Balance of M/s PQR Enterprises as on March 31, 2011:

Books of M/s PQR Enterprises
Account Balances as on 31-03-2011

Name of Account	Account Balance (Rs.)
Balance at Bank	375,400
Bank Loan	200,000
Bank Overdraft	55,400
Bills Receivable	23,800
Building	500,000
Capital	504,800
Carriage Inward	5,800
Carriage Outward	2,200
Cash-in-hand	38,000
Commission Received	6,900
Depreciation	80,800
Discount Allowed	1,400
Discount Received	2,100
Dividend Received	900
Electricity Expenses	6,900
Furniture	70,800
Gain on sale of furniture	800
Loan from Relatives and Friends	150,000
Motor Vehicles	130,700
Purchases	1,050,000
Rent	36,000
Salary	24,000
Sales	1,590,000
Stock-in-trade	75,100
Sundry Creditors	245,000
Sundry Debtors	308,000
Wages	27,000

Additional information:

1. Bad debts amounting to Rs. 20,000 were not recorded
2. Salary to the tune of Rs. 1,00,000 was outstanding
3. Commission amounting to Rs. 1,000 was received in advance

(10 marks)

P.T.O.

Qn. 4

M/s PDG Enterprises started a petrol pump on March 1, 2011. Following were the transactions for the first week of the month:

- March 1 The owner, Mr. Param deposited Rs. 10,00,000 in the business bank a/c and invested Rs. 2,00,000 cash to start the business.
- March 1 A property was acquired on rent for operations of the petrol pump at Rs. 20,000 per month. Security deposit of Rs. 1,00,000 cash was given to Mr. X, the owner of the property. He was also given rent amounting to Rs. 60,000 cash, in advance.
- March 3 Stock worth Rs. 3,00,000 was received from M/s IOC. They were paid Rs. 1,00,000 by cheque on account.
- March 4 Cash sales Rs. 55,000. Credit sales to M/s RST Enterprises Rs. 25,000.
- March 5 Cash Rs. 1,50,000 withdrawn for business use.
- March 7 Received cheque amounting to Rs. 24,800 from M/s RST Enterprises in full settlement of our claim.

You have purchased a new accounting software package to account for the business transactions. Show how the entries with respect to the above information will be made in the accounting software package. Explain, in detail, all the steps required to be taken while making the entries. (10 marks)

Qn. 5

What are the contents of Annual report of a Joint Stock Company? Describe in detail the contents of the section on 'Report on Corporate Governance.' (10 marks)

Qn. 6

Write notes on the following:

- (1) Accounting Standard 6: Depreciation Accounting (5 marks)
- (2) Depreciation, Depletion and Amortization (5 marks)
- (3) Change in the method of charging depreciation (5 marks)
- (4) Accounting Standard 2: Accounting for Inventory (5 marks)

[This question paper contains 3 printed pages.]

6246

Your Roll No.

BFIA / I Sem. / 2010

BACHELOR OF FINANCIAL AND INVESTMENT ANALYSIS – Paper 103 (NS)

(Financial Accounting)

Time : 3 hours

Maximum Marks : 75

(Write your Roll No. on the top immediately on receipt of this question paper.)

Attempt all questions.

Qn.1

From the following information prepare a Funds Flow Statement for the year ending on March 31, 2010:

Books of M/s Rohtash International Ltd.
Balance Sheet

Liabilities	31-03-09 (Rs.)	31-03-10 (Rs.)	Assets	31-03-09 (Rs.)	31-03-10 (Rs.)
Share capital (equity)	3,00,000	3,50,000	Fixed assets (Net)	5,10,000	6,20,000
Share capital (preference)	2,00,000	1,00,000	Investments	30,000	80,000
Debentures	1,00,000	2,00,000	Current assets	2,40,000	3,75,000
Reserves	1,10,000	2,70,000	Discount on debentures	10,000	5,000
Provision for doubtful debts	10,000	15,000			
Current liabilities	70,000	1,45,000			
	<u>7,90,000</u>	<u>10,80,000</u>		<u>7,90,000</u>	<u>10,80,000</u>

Following additional information is also available for the year:

- A machine costing Rs. 70,000 (book value Rs. 40,000) was disposed off for Rs. 25,000.
- Preference shares were redeemed at a premium of 5%.
- 15% Dividend was paid on equity shares for the year 2009.

Further:

1. The provision for depreciation stood at Rs. 1,50,000 on 31-3-2009 and at Rs. 1,90,000 on 31-3-2010.
2. Stock which was valued at Rs. 90,000 as on 31-3-2009 was written up to its cost Rs. 1,00,000 for preparing the profit and loss account for 2010.

(20 marks)

P.T.O.

Qn. 2

On 1st April, 2007 a firm purchased a machinery for Rs.3,00,000. On 1st October in the same accounting year, additional machinery costing Rs. 1,50,000 was purchased. On 1st October, 2008 the machinery purchased on 1st April, 2007 having become obsolete, was sold off for Rs. 1,35,000. On 1st October, 2009 new machinery was purchased for Rs. 3,75,000 while the machinery purchased on 1st October, 2007 was sold for Rs. 1,27,500 on the same day.

The firm provides depreciation on its machinery @ 10% per annum on original cost on 31st March, every year.

Show machinery account, provision for depreciation account, and depreciation account for the period of three accounting years ending 31st March, 2010.

(15 marks)

Qn. 3

Briefly discuss any five methods of calculating the depreciation charge.

(5 marks)

Qn. 4

Following were the transactions of M/s Seema & Co. for the month of February 2010:

- Feb 1 Seema started a showroom of electronic goods by investing Rs. 25,00,000 in cash and Rs. 2,00,000 worth of electronic goods.
- Feb 3 She paid from her own pocket Rs. 60,000 as rent for the showroom for the months of Feb., Mar., and Apr.
- Feb 3 Cash deposited into SBI Rs. 15,00,000
- Feb 4 Paid by cheque Rs. 50,000 for furnishing the showroom.
- Feb 7 Bought goods from M/s Future Electronics for Rs. 5,00,000 on credit.
- Feb 8 Bought goods worth Rs. 2,00,000 from M/s Perfect Electronics. Paid by cheque immediately and got a cash discount of Rs. 2,000.
- Feb 10 Paid to M/s Future Electronics Rs. 5,00,000 by cheque and got a cash discount of Rs. 5,000.
- Feb 11 Sold goods worth Rs. 1,00,000 to Mr. Ramesh for cash.
- Feb 12 Sold to Mr. Prateek goods worth Rs. 50,000 on credit.
- Feb 13 Mr. Prateek paid by cheque Rs. 49,900 in full settlement of his account.
- Feb 14 Deposited Mr. Prateek's cheque in Bank.
- Feb 16 Mr. Prateek's cheque returned by bank as dishonored due to difference in signatures.
- Feb 17 Mr. Prateek paid cash to settle his account. No cash discount given.

- Feb 18 Cheque given to M/s Perfect Electronics returned dishonored due to overwriting on cheque.
- Feb 19 Goods worth Rs. 20,000 supplied to Mr. Prateek were returned by him being defective.
- Feb 23 Goods purchased from M/s Perfect Electronics for Rs. 3,00,000 on credit.
- Feb 24 Paid Rs. 3,00,000 to M/s Perfect Electronics by cheque.
- Feb 26 Goods costing Rs. 10,000 sold to Mr. Rajesh for Rs. 12,000 on credit.
- Feb 27 Goods worth Rs. 50,000 purchased from M/s Perfect Electronics returned as the same were found to be damaged.
- Feb 28 Bought a delivery vehicle worth Rs. 1,00,000 from M/s T & T Ltd. on credit.

Assuming that the accounting year of the firm ends on March 31, 2010, record the above transactions in appropriate subsidiary books.

(20 marks)

Qn. 5

Why are adjustment entries required? Give the adjustment entry for loss of stock costing Rs. 10,000 by theft for which the insurance company admitted a claim of Rs. 9,000 only.

(5 marks)

Qn. 6

What is a voucher? Give format of a voucher involving two accounts. What are the considerations for selection of pre-packaged accounting software?

(10 marks)