

PARUL UNIVERSITY
FACULTY OF COMMERCE
B.Com.(Hons) Winter 2019-20 Examination

Semester: 1

Subject Code: 16100101

Subject Name: Fundamentals of Accounting

Date: 18-11-2019

Time: 2.00 pm to 4.30 pm

Total Marks: 60

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1 Do as directed.**A) Multiple choice type questions. (Each of one mark)****(06)**

1. Accounting provides information on ?
 - a. Cost and income for managers
 - b. Financial conditions of an institution
 - c. Company's tax liability for a particular year
 - d. All of the above
2. The long term assets that have no physical existence but are rights that have value is known as ?
 - a. Current assets
 - b. Fixed assets
 - c. Intangible assets
 - d. Investments
3. Bills receivable and bills payable _____ which accounts goes out ?
 - a. Personal Account
 - b. Nominal Account
 - c. Real Account.
 - d. All of the above
4. The accounts that records expenses, gains and losses are ?
 - a. Personal accounts
 - b. Real accounts
 - c. Nominal accounts
 - d. None of the above
5. The process of entering all transactions from the journal to ledger is called?
 - a. Posting
 - b. Entry
 - c. Accounting
 - d. None of the above
6. _____ Special skill or Knowledge Require.
 - a. Book-keeping
 - b. Accounting
 - c. Transaction
 - d. Event

B) Definitions / One-liners / Terms. (Each of one mark)**(06)**

- | | | |
|----------------|-----------|-----------------|
| 1 Book-keeping | 2 Capital | 3 Bad -Debts |
| 4 Depreciation | 5 Ledger | 6 Balance sheet |

Q.2 Numerical / Short Note Questions. (Each of 04 mark)**(12)**

1. Difference between Trade discount and Cash discount ?
2. What are the basic **Principles/Concept** of accounting?
3. The following balances in the books of **ABC Ltd** as on 1st January 2014 – Cash Rs. 7,000, Bank Rs.70,000, Stock Rs.80,000, Furniture Rs.10,000, Computer Rs.50,000, Debtors Rs.33,000 and Creditors Rs.90,000. Pass necessary journal entry.

Q.3 Answer the following. (Any Three)**(18)**

1. Define Accounting. Discuss the Classification of Accounts.
2. On 1st April,2015 XYZ Ltd. Purchased machinery costing Rs 2,50,000. Its life was estimated to be 4 years and estimated scrap value to be Rs 10,000.**Show machinery a/c & Depreciation a/c for 3 years to 31st march, 2018** when the machinery was sold for Rs 20,000.
3. Post the following journal entry into Ledger. You are, Prepare Ledger accounting.

DATE	PARTICULARS	L.F	Dr.AMT	Cr.AMT
27 Sep 2018	Cash a/c.....Dr		4900	----
	Discount Allowed a/c.....Dr		100	-----
	To, jigar a/c		-----	5000

4. What are the steps in journalising entry?

Q.4 Answer the following. (Any two)

(18)

1. Write the difference between Book-keeping & Accounting.

2. The following balances are extracted from the books of Mr. Rajendra on 1.1.2018. Prepare final accounts

Particulars	Debit Rs.	Particulars	Credit Rs.
Stock on 1.1.2018	17,000	Sales	60,000
Manufacturing wages	10,000	Creditors	20,000
Factory rent	2,000	Bills payable	10,000
Factory lighting	3,000	Capital	43,000
Purchase	30,000		
Carriage	3,000		
Salary	2,000		
Office rent	2,000		
Printing & stationery	1,000		
Bad debts	1,000		
Land	10,000		
Buildings	20,000		
Plant & machinery	15,000		
Furniture	5,000		
Depreciation	2,000		
Debtors	5,000		
Cash in hand	5,000		
	1,33,000		1,33,000

Closing stock was valued at Rs.19,000

3. From the following trial balance of Mr .Jayesh , prepare Trading, Profit and Loss Account for the year ending 31.12.2018.

Particulars	Debit Rs.	Particulars	Credit Rs
Purchases	5,40,000	Sales	10,40,000
Salaries & wages	3,50,000	Returns outward	12,000
Office expenses	4,000	Discount received	6,000
Trading expenses	8,000	Interest received	3,000
Factory expenses	11,000	Capital	1,78,000
Carriage inwards	8,000		
Returns inward	12,000		
Discount allowed	4,000		
Commission	2,000		
Stock	60,000		
Income tax	40,000		
Cash in hand	2,00,000		
	12,39,000		12,39,000

Closing stock is valued at Rs. 1,35,000.