

PARUL UNIVERSITY
FACULTY OF LAW
I- B.Com. LL.B. Winter 2019 – 20 Examination

Semester: 4

Date: 13/12/2019

Subject Code: 17302282

Time: 10.30 am to 1.00 pm

Subject Name: Financial Accounting

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. (All Compulsory)**(15)****1. Fill in the blanks**

- a. _____ & _____ are the two systems of Accounting.
- b. The persons from whom goods are purchased on credit are called _____.
- c. _____ & _____ are the two primary books of Accounts.
- d. Goods return by the Customers will be recorded in _____ book
- e. If Debit column or credit column is totaled wrongly in trial balance as Rs. 11,500/- instead of Rs. 15,100/- it is called as _____

2. State whether the following statements are true or false.

- a. Expenses are classified as Real Accounts.
- b. Daily record in which all the transactions are chronologically recorded is called Journal.
- c. In Straight Line method of Depreciation, the amount of Depreciation reduces every time.
- d. Business and Businessman are considered different.
- e. Preparation of Secondary Books of Accounts reduces fraud.

3. Explain briefly

- a. What is the Accounting Formula?
- b. Conservatism Concept
- c. Types of Accounts
- d. Compensatory Errors
- e. Definition of Accounts

Q.2 Write short notes (Each of three mark)**(15)**

1. Accounting Assumptions
2. Accounting Principles
3. Kinds of Errors
4. Golden rules of Accounting
5. Draw the format of Trial Balance and Explain the suspense Accounts

Q.3 A). State the Type of Accounts in each case**(08)**

- a. Sales Account
- b. Salary & Wages
- c. Fixed Assets
- d. Creditors
- e. Carriage Inward
- f. Parul University
- g. Stationery
- h. Debtors

OR**A). Pass Journal Entries from the following transactions.****(08)**

- a. Commenced business with cash Rs. 1,00,000.
- b. Purchased goods of Rs. 25,000.
- c. Sold goods for Rs. 75,000.
- d. Deposited Rs. 40,000 in bank.
- e. Rahul purchased goods for Rs. 30,000 for which he has not paid.
- f. Paid rent Rs. 5,000.
- g. Received commission Rs. 10,000.
- h. Received Rs. 35,000 from Rahul.

Q.3 B) Explain the Formula of Accounting in detail. (07)

OR

B) Differentiate between cash basis of Accounting and Accrual basis of Accounting. (07)

Q.4 From the following information, prepare trial balance. (08 +07) (15)

Particulars	Amount (Rs.)
Bank Loan	14,000
Marketable Security	6,500
Bills Payable	4,000
Unearned Revenue	3,500
Debtors	27,000
Outstanding Salaries	4,000
Prepaid Rent	2,000
Insurance Expense	7,300
Owner's Investment	1,09,000
Rent Expense	400
Machinery	25,000
Drawings	3,500
Equipment	42,000
Maintenance Expense	5,000
Miscellaneous Expenses	25,800
Depreciation	12,000
Creditors	26,000
Sales	3,10,000
Printing Expenses	15,000
Purchases	3,00,000
Stock	17,000
Bank Loan	22,000
Furniture	33,000
Bills Receivable	50,000
Discount Received	5,000