

**B.Sc. (Foot wear Technology)
(BSCFWT)**

Term - End Examination 00402
December, 2012

BFW-045 : BASIC ACCOUNTING

Time : 3 Hours

Maximum Marks : 70

Note : *All the questions are compulsory.*

1. Explain **any four** of the following : **10**
 - (a) Separate Entity Concept
 - (b) Dual Aspect Concept
 - (c) Journal Proper
 - (d) Accounting Period Concept
 - (e) Money Measurement Concept
 - (f) Realisation Concept

2. Journalise the following transactions in the books of a trader : **10**
 - (a) Jan. 1 - Purchased goods worth Rs. 5000 for cash less 20% trade discount and 5% cash discount
 - (b) Jan. 5 - Received Rs. 1980 from Akash and allowed him Rs. 20 as discount.

- (c) Jan. 8 - Purchased goods from Raj for Rs. 5000/-
- (d) Jan. 10 - Purchased goods from Mukesh for Rs. 6000 and paid Rs. 100/- as cartage for bringing the plant to factory and Rs. 200/- as installation charge.
- (e) Jan. 15 - Sold goods to Raju for Rs. 500/-
- (f) Jan. 18 - Raju became insolvent and could pay only 50 paise in a Rupee.
- (g) Jan. 20 - Sold goods to Rahim for Rs. 2000/- in cash
- (h) Jan. 25 - Interest received from Bablu Rs. 500/-
- (i) Jan. 28 - Paid to Sanjeev Rs. 300/- as interest.
- (j) Jan. 30 - Withdraw goods from business for personal use Rs. 500/-

- 3. Define double entry system of accounting in Nominal Accounts, Real Accounts and Personal Accounts. 5
- 4. From the undermentioned particulars of Mr. Roger prepare the manufacturing, trading and profit and loss A/C for the year ended 31.3.2011 and balance sheet as on that date after making the necessary adjustments : 20

	Rs.
Capital as on 1.4.2010	25000
Drawings Account	7000
Sundry Creditors	8000
Discount Received	702
SBI Bank (CV.)	4000
Reserve for Bad and Doubtful Debts	600
Purchase Returns	530
Sales	67500
Sales Returns	86
Stock as on 01.04.2010	9000
Plant and Machinery (including Machinery for Rs. 5000/- purchased on 1.1.2011)	17000
Furniture	1500
Buildings	15000
Purchases	30230
Sundry Debtors	11000
Manufacturing wages	6000
Manufacturing Expenses	5000
Carriage inwards	400
Carriage outwards	420
Bad Debts	150
Salaries	2800
Interest and Bank charges (Dr.)	126
Discount Allowed	150
Insurance (Dr.)	300
Bank of India (Dr.)	140
Cash in hand	30
Stock as on 31.3.2011	
Adjustments	7550

(a) Provide for Interest on capital at 10% p.a.
(No interest is to be provided on drawings)

(b) Outstanding Expenses :

Rs.

(i) Salaries 100

(ii) Manufacturing wages 50

(iii) Interest on bank loan 100

(c) Depreciation :

(i) Machinery @ 10% p.a

(ii) Furniture @ 10% p.a

(iii) Buildings @ $2\frac{1}{2}\%$ p.a

(d) Prepaid expenses :

(i) Insurance 100

(ii) Salary 50

(e) Provision for bad and doubtful debts @ 10%
of Debtors.

Furniture costing Rs. 500 was sold for Rs. 350/-
on 1.4.2010 and this amount was later credited
to Furniture Account.

5. What is diminishing method of depreciation ? 5
Describe its advantages and disadvantages.

6. What is fixed installment method of 5
Depreciation ? Describe its advantages and
disadvantages.

7. Write short notes on **any** of the **two** : 5
- (a) Copy Right
 - (b) Trade Mark
 - (c) Patent
 - (d) Goodwill
8. Journalise the following transactions, post them 10
in the ledger and balance the accounts on 31st
January.
- (a) Ram started business with a capital of
Rs. 10000/-
 - (b) He purchased goods from Mohan on credit
Rs. 2000.
 - (c) He paid cash to Mohan Rs. 1000.
 - (d) He sold goods to Suresh Rs. 2000.
 - (e) He received cash from Suresh Rs. 3000.
 - (f) He further purchased goods from Mohan
Rs. 2000.
 - (g) He paid cash to Mohan Rs. 1000.
 - (h) He further sold goods to Suresh Rs. 2000.
 - (i) He received cash from Suresh Rs. 1000.
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