

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY

BVOC- SEMESTER-I EXAMINATION – WINTER 2022

Subject Code:1112201

Date:21-02-2023

Subject Name:Fundamentals of Accounts

Time:10:30 AM TO 12:30 PM

Total Marks:50

Instructions:

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Simple and non-programmable scientific calculators are allowed.

		Marks
Q.1	(a) Write down difference between Accounting and Book keeping	05
	(b) Explain in brief Accounting Concept related to Conservatism and Consistency.	05
Q.2	(a) Which are three Golden Rules of Journal Entries? Explain each with example.	05
	(b) From the following transactions, pass Journal Entries with narration for M/s Sanju & Co.	05

2022

1. Sanju introduced capital through bank of INR 4,000.
2. Cash withdrawn from the City Bank INR 200.
3. Loan of INR 500 taken from Mr. Y.
4. Salaries paid for the month of March, 2022, INR 300 and INR 100 is still payable for the month of March, 2022.
5. Furniture purchased INR 500.

OR

- | | | |
|------------|---|-----------|
| (b) | Classify the following items as Real, Personal or Nominal | 05 |
| | (1) Building | |
| | (2) Sales | |
| | (3) Bank Fixed Deposit | |
| | (4) Rent | |
| | (5) Cash | |
| | (6) Closing Stock | |
| | (7) Bad Debts | |
| | (8) Capital | |
| | (9) Drawing | |
| | (10) Depreciation | |

- Q.3 (a)** From the following ledger balances, prepare Trial Balance of Arman Traders as on 31-03-2022 **05**

Particulars	INR
Capital	100000
Purchases	150000
Discount Allowed	2000
Sales	166000
Sales Return	1000
Expenses	10000
Trade Receivables	75000
Trade Payables	25000
Investment	15000
Cash at Bank	37000
Interest received on investment	1500
Insurance Premium paid	2500

- (b)** Write note about Triple Column Cash Book and draw format of the same. **05**

OR

- Q.3 (a)** Prepare Single column cash book from following information **05**

2022		INR
Jan.1	Cash in hand	1,200
"5	Received from Ram	300
"7	Paid Rent	30
"8	Sold goods for cash	300
"10	Paid to Shyam	700
"27	Purchased Furniture	200
"31	Paid Salaries	100
"31	Rent due, not yet paid, for January	30

- (b)** Prepare Specimen of Profit & Loss Account for Mr. Jasmitbhai with imaginary figures **05**

- Q.4 (a)** Raghuvanshi Bros. acquired a machine on 1st July, 2020 at a cost of INR 14,00,000 and spent INR 1,00,000 on its installation. The firm writes off depreciation at 10% p.a. of the original cost every year. The books are closed on 31st December every year. You are required to show Machinery Account for 2020-21 and 2021-22. Also show how you have derived the amount of Depreciation for the above years. **05**

- (b) A Manufacturer has following records of purchases and issues of a Cartridge used for manufacturing of Printer Sets **05**

Date	Purchase	Issue	Price per unit
Feb 1	900		50
Feb 5		500	
Feb 10	400		55
Feb 11	300		55
Feb 19	200		60
Feb 20		600	
Feb 27	800		47
Feb 28		500	

Compute value of Closing Stock using Weighted Average Method of valuing stock.

OR

- Q.4 (a)** Ashwin & Bros. acquired a machine on 1st July, 2020 at a cost of INR 14,00,000 and spent INR 1,00,000 on its installation. The firm writes off depreciation at 10% p.a. of the written down value every year. The books are closed on 31st December every year. You are required to show Machinery Account for 2020-21 and 2021-22. Also show how you have derived the amount of Depreciation for the above years. **05**
- (b) A Manufacturer has following records of purchases and issues of a Cartridge used for manufacturing of Printer Sets **05**

Date	Purchase	Issue	Price per unit
Feb 1	900		50
Feb 5		500	
Feb 10	400		55
Feb 11	300		55
Feb 19	200		60
Feb 20		600	
Feb 27	800		47
Feb 28		500	

Compute value of Closing Stock using LIFO Method

- Q.5 (a)** X Ltd., has a current ratio of 3.5 : 1 and quick (liquid) ratio of 2 : 1. If excess of current assets over quick (liquid) assets represented by inventories is INR 24,000, calculate Current Assets and Current Liabilities. **05**
- (b) Cash Flow Statement helps in managing company's Operating, Investing and Financial Activities effectively. Discuss **05**

OR

- Q.5 (a)** Write down the formula for the followings: **05**
- (1) Current Ratio
 - (2) Liquid Ratio
 - (3) Stock Turnover Ratio
 - (4) Operating Profit Ratio
 - (5) Return on Capital Employed

(b) Differentiate following activities into Operating, Investment and Financial Activities **05**

- (1) Cash payment to Suppliers for Machinery
- (2) Cash payment towards Office Staff Salary
- (3) Cash receipts from issue of Shares to public
- (4) Cash payment to make investment in shares of other company
- (5) Cash payment to Creditors of Goods and Services
