

**2021/TDC/CBCS/ODD/
BVOCGE-502T/449**

**TDC (CBCS) Odd Semester Exam., 2021
held in March, 2022**

**B.Voc (Information Technology)
(5th Semester)**

Course No. : BVOCGE-502T

(Financial Accounting)

Full Marks : 70
Pass Marks : 28

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

SECTION—A

Answer any *twenty* of the following as directed :

1×20=20

1. Who is known as the father of accounting?

2. Accounting is the language of business.

(Write True or False)

(2)

3. What do you mean by accounting concept?
4. Which basis of accounting follows the matching principle of accounting?
5. Cash, goods or assets invested by the proprietor in the business for earning profit is called capital/fixed assets.
(Choose the correct answer)
6. What is source document?
7. Increase in revenue is always debited.
(Write True or False)
8. What is debit voucher?
9. Give fundamental accounting equation.
10. As per American approach, accounts are three/five types.
(Choose the correct answer)
11. To which account, gross profit is transferred?
12. Final accounts are prepared at the end of the accounting period.
(Write True or False)
13. Give two examples of direct expenses.

(3)

14. Closing stock is valued at cost or market whichever is _____.
(Fill in the blank)
15. Goods lost by fire should be credited to Trading A/c / Profit & Loss A/c.
(Choose the correct answer)
16. State one objective of analysis of financial statements.
17. Financial statements are prepared on historical cost basis.
(Write True or False)
18. What will be the effect on current ratio if bills payable is discharged on maturity?
19. Issue of equity shares is a part of ____ activity.
(Fill in the blank)
20. Rule of thumb of acid test ratio is 1:1/2:1.
(Choose the correct answer)
21. What is the full form of IASC?
22. Accounting standards are prepared by the owners of the business.
(Write True or False)
23. When was Accounting Standard Board set up?

(4)

24. ICAI established under ____.

(Fill in the blank)

25. Intangible assets come under AS 24/ AS 26.

(Choose the correct answer)

SECTION—B

Answer any *five* questions :

2×5=10

26. Explain the convention of consistency.

27. Write two limitations of accounting.

28. Write two features of journal.

29. Write two points of distinction between debit note and credit note.

30. Write two limitations of trial balance.

31. What is operating profit? Give the formula.

32. Write two objectives of ratio analysis.

33. Name any four methods of analysis of financial statement.

34. Name any two Indian Accounting Standards.

35. What do you mean by AS-1?

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(Continued)

(5)

SECTION—C

Answer any *five* questions :

8×5=40

36. Explain the functions accounting.

37. Name and explain any four accounting concepts.

38. What is posting to an account? Briefly outline the procedure for posting the entries from the journal to ledger. 2+6=8

39. Pass journal entries from the transactions given below in the books of Madan Lal :

(i) Madan Lal started business with cash ₹ 1,00,000, goods ₹ 2,50,000 and furniture ₹ 50,000.

(ii) Purchased goods for cash ₹ 20,000 and on credit from Harilal ₹ 30,000.

(iii) Loss of cash by theft—₹ 1,900

(iv) Paid life insurance premium—₹ 3,200

40. What is Balance Sheet? State two objectives of preparing a Balance Sheet. Distinguish between Trial Balance and Balance Sheet.

2+2+4=8

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(Turn Over)

(6)

41. From the following Trial Balance, you are required to prepare a Profit & Loss Account for the year ended 31st March, 2021 and a Balance Sheet as on that date :

Trial Balance as on 31st March, 2021

Particulars	Amount ₹	Particulars	Amount ₹
Closing stock	14,000	Creditors	20,000
Rent	3,600	Capital	16,600
Repairs	300	Bills payable	18,000
Sundry expenses	2,000	Sundry receipts	800
Cash at bank	5,000	Wages outstanding	1,000
Cash in hand	1,000	Trading A/c	
Furniture	16,000	(Gross profit)	34,000
Debtors	31,000		
Prepaid insurance	3,000		
Drawings	12,000		
Discounts	1,000		
Bills receivable	1,500		
	<u>90,400</u>		<u>90,400</u>

Adjustments :

- (i) Prepaid rent—₹ 600
- (ii) Outstanding sundry expenses—₹ 1,000
- (iii) Create provision for doubtful debt @ 5%
- (iv) Furniture to be depreciated by 10% p.a.

42. Explain the reasons of difference of cashbook balance with passbook balance.

(7)

43. From the following balance sheet of AB Ltd, prepare cash flow statement :

*At the year ended
as on
31.03.21 31.03.20*

I. Equity and Liabilities :

1. Shareholders' Funds :

(a) Share Capital	15,000	12,000
(b) Reserves and Surplus : Surplus in Statement of Profit & Loss	6,000	5,000

2. Current Liabilities :

Trade Payable	11,000	15,000
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Total	<u>32,000</u>	<u>32,000</u>
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II. Assets :

1. Non-current Assets :

Fixed Assets :

Tangible Assets	8,000	5,000
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2. Current Assets :

(a) Inventories	4,000	6,000
(b) Trade Receivables	8,000	10,000
(c) Cash and Cash Equivalent	12,000	11,000

Total	<u>32,000</u>	<u>32,000</u>
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Additional information :

A dividend of ₹ 3,000 was paid during the year 2020-21.

(8)

44. Give an account of accounting standards setting procedure followed in India.
45. What is accounting standard? State its objectives. 2+6=8

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