

ACCOUNTANCY ASSIGNMENT

XI

Q1	Book keeping is the primary stage where as accounting is a secondary stage. Accounting process follows different steps and begins whereas book keeping ends. Explain the steps in accounting process.
Q2	<p>Which stakeholder group would be most interested in</p> <p>(a)----- the VAT and other tax liabilities of the firm</p> <p>(b) -----the potential for pay awards and bonus deals</p> <p>(c) -----the ethical or environmental activities of the firm</p> <p>(d)----- whether the firm has a long-term future</p> <p>(e) -----profitability and share performance</p> <p>(f)----- the ability of the firm to carry on providing a service or producing a product.</p>
Q3	Mr. Ram, an enthusiastic investor, is considering investing in a Company solely based on its financial statements. He carefully examines the profit numbers and decides to invest without taking consideration any other information. Do you think this approach reflects a limitation of accounting information. If yes, state reasons.
Q4	<p>Mr. Roberts, a business owner who is navigating various aspects of accounting for his company. Let's explore his situation and assess your understanding of basic accounting concepts.</p> <p>Q. 1: What is the primary purpose of book keeping in the accounting process?</p> <p>A. Auditing</p> <p>B. Analysis</p> <p>C. Recording</p> <p>D. Reporting</p> <p>Q2: Which stage of accounting involves summarizing classified transactions and preparing financial statements?</p> <p>A. Book keeping</p> <p>B. Financial Accounting</p> <p>C. Cost Accounting</p> <p>D. Management Accounting</p> <p>Q3: In a manufacturing business, which aspect does cost accounting primarily focus on?</p> <p>A. Classifying Transactions</p> <p>B. Preparing Financial Statements</p> <p>C. Determining Total Costs</p> <p>D. Analyzing Tax Liabilities</p>
Q5	<p>XYZ Enterprises is a leading company in the technology sector, specializing in the development and distribution of innovative software solutions. As the company continues to expand globally, its management recognizes the importance of understanding financial statements to make informed business decisions. The company's management is also keen on understanding the concepts of events and transactions in the context of accounting to ensure accurate financial reporting and decision-making.</p> <p>The company's management recognizes the significance of accounting, accountancy, and bookkeeping in maintaining accurate financial records and facilitating informed decision-making. XYZ Enterprises operates in a complex business environment with diverse operations. To ensure effective financial management, the company's management team is interested in understanding the various branches of accounting. Understanding the various branches of accounting is essential for XYZ Enterprises holistic financial management. Each branch serves a specific purpose, contributing to accurate financial reporting, effective decision-making, risk mitigation, and regulatory compliance. By</p>

	<p>leveraging the insights gained from these branches, XYZ Corporation can navigate the complexities of its business environment while maintaining transparency and optimizing its financial strategies.</p> <p>QUESTION 1 What is the primary purpose of financial statements like those used by XYZ Enterprises? a. To confuse competitors about the company's financial status. b. To showcase the company's technological advancements. c. To communicate financial information to stakeholders for decision-making. d. To list company Employees & their Roles</p> <p>QUESTION 2 Out of the following; for XYZ Enterprises, Financial Statements do not consider a. Asset expressed in Monetary Terms b. Liability expressed in Monetary Terms c. Asset and Liability expressed in Non Monetary Terms d. None of the above</p> <p>QUESTION 3 On 31st March 2024, after sale of goods worth Rs.2,000,000 , XYZ Enterprises is left with closing Inventory of Rs.10,000,000. This is a. Event b. Transaction c. Transaction as well as Event d. Neither Transaction nor Event</p> <p>QUESTION 4: Which of the following statement is false in regards with Accounting, Accountancy & Book Keeping? (i) Book Keeping is Primary Stage whereas Accounting is Secondary Stage. (ii) Book Keeping function is Analytical in nature whereas Accounting function is Clerical in nature (ii) Accounting depends on Book Keeping whereas Accountancy depends on both Book Keeping and Accounting. (iii) Book Keeper is not required to process Analytical Skill whereas Accountant is required to process Analytical Skill</p>
Q6	A firm was charging depreciation on its asset according to SLM now changed to WDV but firm did not disclose this information in its financial statements This has violated which concept. Identify and explain the concept
Q7	A firm sold goods on credit of Rs 50,000 in the month of January and collected the amount in the month of April. Accountant record this sale in the month of April. Is he correct in doing so. Identify and explain the concept
Q8	Ram, a sole proprietor of M/s Ram & company purchase a car for his personal use. The payment was made by issuing a cheque from the account of M/s Ram & company. His accounted debited to his Drawings Account. Is his accountant correct in doing so. Identify and explain the concept
Q9	Rishi Commenced business on 1St April, 2018 with Rs 5, 00,000 and long term Loan of Rs 3, 00,000. On 31st March, 2019 his assets were worth Rs 12, 00,000 and then current year. Calculate Profit
Q10	Owner's capital in the beginning is 1,20,000, creditor at the end Rs 1,00,000 ; Revenue during the period Rs 1,40,000 and expenses during the period are Rs 1,30,000. Calculate Owner's capital at the end
Q11	<p>PASS NECESSARY JOURNAL ENTRIES in the books of Ashutosh</p> <p>1) Goods sold which is purchased of Rs 40,000 at a profit of 25% on cost at 10% trade discount and 2% cash discount. Half payment is made through cheque and half will be on</p>

	<p>credit.</p> <p>2) Gautam who owed us Rs 25,000 is declared insolvent and 75 Paisa in a Rupee received from him.</p> <p>3) Ashutosh purchased a machine for Rs.2,40,000 for business. He gave a cheque of Rs. 2,40,000 from his savings account. Cartage paid for machine 1200.</p> <p>4) Bought goods from Sonam for Rs.60,000 for cash and paid carriage charges Rs.1000</p>	
Q12	<p>Following balances appeared in the books of Rishabh on 1 January 2019: Furniture Rs. 40,000; Creditors Rs. 30,000. Cash Rs.6,000; Bank Rs. 10,000; Debtors Rs.45,000; Bills Payable Rs. 5,000; Stock Rs. 44,000, capital Rs 150,000</p> <p>Pass opening entry</p>	
Q13	List I	List II
	1-Ram purchased furniture of Rs 20,000 from Mohan on credit and carriage on it of Rs 2,000. Net Assets will increase by Rs-	A- 24,000
	2-Furniture is purchased of Rs 20,000 by Ram and carriage on it of Rs 2,000. Liability will increase by Rs-	B-22000
		C-18000
		D-20,000
	Match items in List I with terms in List II	
Q14	<p>Prepare the Accounting Equation on the basis of the following:</p> <ol style="list-style-type: none"> 1. Ramesh commenced business with cash Rs 5 00,000 2. Furniture purchased for cash Rs 50,000 3. Purchased goods from Manish on credit Rs 30,000 4. Sold goods (costing ₹ 10,000) to Mohini Rs 12000. 5. Additional capital introduced Rs 250,000. 6. Commission received in advance Rs 30,000. 	
Q15	<p>You are a senior accountant of Ramona Enterprises Limited. What three steps would you take to make your company's financial statements understandable and decision useful?</p>	