



NMIMS Global Access

School for Continuing Education (NGA-SCE)

Course: Essentials of Financial Accounting

Internal Assignment Applicable for June 2022 Examination

Assignment Marks: 30

Instructions:

- All Questions carry equal marks.
- All Questions are compulsory
- All answers to be explained in not more than 1000 words for question 1 and 2 and for question 3 in not more than 500 words for each subsection. Use relevant examples, illustrations as far as possible.
- All answers to be written individually. Discussion and group work is not advisable.
- Students are free to refer to any books/reference material/website/internet for attempting their assignments, but are not allowed to copy the matter as it is from the source of reference.
- Students should write the assignment in their own words. Copying of assignments from other students is not allowed.
- Students should follow the following parameter for answering the assignment questions.

For Theoretical Answer	
Assessment Parameter	Weightage
Introduction	20%
Concepts and Application related to the question	60%
Conclusion	20%

For Numerical Answer	
Assessment Parameter	Weightage
Understanding and usage of the formula	20%
Procedure / Steps	60%
Correct Answer & Interpretation	20%

1. Zeno Pharma is operating in Mumbai. It has 2 departments namely A & B. There is interdepartment transfer between two department. Compute Stock reserve and discuss the entry to pass for creating stock reserve & disclosure in Balance Sheet. Discuss the accounting arrangement to be done with respect to Memorandum Stock Account and Memorandum Markup Account. If goods are transferred from A department to B department worth Rs 50000 at Cost price & If goods are transferred from A department to



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B department at Cost Price plus 20% & in both cases the unsold stock is 6000.

(10 Marks)

2. XYZ company purchased Machine worth Rs 500000 and paid installation Rs100000. Depreciation to be charged at 20% p.a Calculate depreciation and Show depreciation Account & Machinery Account for 2 Years and show how amount is reflected in Balance sheet

- a) Using Straight Line Method & interpret it
- b) Using written down value Method & interpret it.

(10 Marks)

3.a. Arvind Enterprise sold goods worth Rs 10000 @ 10 % T.D to Mr Ram and 2% C.D is allowed only if payment is received within 15 days. Discuss how the journal entry passed and how the amount will be reflected in ledger Account if payment is received within 15 days and above 15 days & Interpret it

(5 Marks)

3.b. Arvind Enterprise deposited cash in to Bank Rs 100000. Identify the type of account as (Personal , Real and Nominal Account). Discuss the rule of passing journal entry applicable here and pass journal entry & show how the amount will be posted to ledger A/c & Trial Balance

(5 Marks)
