

B.C.A DEGREE EXAMINATION, NOVEMBER 2018
II Year III Semester
Core Elective-Paper III
FINANCIAL ACCOUNTING

Time : 3 Hours

Max.marks :75

Section A ($10 \times 2 = 20$) Marks

Answer any **TEN** questions

1. What is Accounting?
2. What are fixed assets?
3. What is Journal?
4. What are Real Accounts?
5. Who is a Debtor?
6. What are prepaid expenses?
7. Write short note on Capital.
8. What is meant by net loss?
9. Define Depreciation.
10. Describe any two causes of Depreciation.
11. What do you understand by debtor system?
12. Bring out the two objectives of branch accounts.

Section B ($5 \times 5 = 25$) Marks

Answer any **FIVE** questions

13. Describe the objectives of accounting.
14. Explain golden rules of accounting.
15. Journalise the following transactions of Koushik & Co.

2004	Rs.
Jan 1 Business started with	2,00,000
2 Purchased from Rangan on credit	5,000
6 Sold goods to Raman on credit	5,600
9 Cash sales	6,000
10 Rent paid	900

16. Prepare a trial balance of Messrs. Aditya & Bros. as on 31.3.2018

Particulars	Amount
Capital	15,560
Sales	27,560
Sales Return	980
Drawings	5,640
Debtors	5,300
Land and building	7,410
Purchases	12,680
Return outwards	2,640
Loan from sharma	2,500
Creditors	5,280
Administration expenses	7,840
Cash in hand	1,420
Bills payable	1,000
Wages	5,980
Opening stock	2,640
Factory expenses	4,650

17. Prepare trading and profit and loss account from the information given below:

	Rs.		Rs.
Opening stock	3,600	Rent (factory)	400
Purchases	18,260	Rent (office)	500
Wages	3,650	Sales return	700
Closing stock	4,420	Purchase return	900
Sales	32,000	General expenses	900
Carriage on purchases	500	Discount to customers	360
Carriage on sales	400	Interest from bank	200

18. A company purchased a plant for Rs. 50,000. The useful life of the plant is 10 years and the residual value is Rs. 10,000. Find out the rate of depreciation under the straight line method.

19. Koushik Ltd opened a branch at Delhi in 2015. From the following prepare Delhi branch account for the year 2015.

	Rs.
Goods sent to branch	15,000
Cash sent to branch for expenses	6,000
Cash received from the branch	24,000
Stock on 31.12.2015	2,300
Petty cash in hand	40

Section C ($2 \times 15 = 30$) MarksAnswer any **TWO** questions

20. Explain the various accounting concepts.
21. Enter the following transactions in journal and post them into ledger:

2005		Rs.
Jan. 1	Mr. Javed started business with cash	100,000
2	He purchased furniture for	20,000
3	He purchased goods for	60,000
5	He sold goods for cash	80,000
6	He paid salaries	10,000

22. The following trial balance have been taken out from the books of XYZ as on 31st December, 2015.

	Dr.	Cr.
	Rs.	Rs.
Plant and Machinery	1,00,000	
Opening stock	60,000	
Purchases	1,60,000	
Building	1,70,000	
Carriage inward	3,400	
Carriage outward	5,000	
Wages	32,000	
Sundry debtors	1,00,000	
Salaries	24,000	
Furniture	36,000	
Trade expense	12,000	
Discount on sales	1,900	
Advertisement	5,000	
Bad debts	1,800	
Drawings	10,000	
Bills receivable	50,000	
Insurance	4,400	
Bank balances	20,000	
Sales		4,80,000
Interest received		2,000
Sundry creditors		40,000
Bank loan		1,00,000
Discount on purchases		2,000
Capital		1,71,500
	7,95,500	7,95,500

The closing stock is valued at Rs. 90,000.

Prepare the trading and profit and loss account and balance sheet of the business for the year ended 31.12.2015.

23. A company acquired a machine on 1.1.2014 at a cost of Rs. 40,000 and spent Rs. 1,000 on its installation. The firm writes off depreciation at 10% on the diminishing balance. The books are closed on 31st December of each year. Show the machinery A/c for 3 years.