

B.Com(CS) DEGREE EXAMINATION, APRIL 2019
I Year I Semester
Financial Accounting - I

Time : 3 Hours

Max.marks :75

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

Answer any **TEN** questions

1. Define Accounting.
2. From the following ledger balances, you are required to state which account has debit or credit balance
i.) Sales ii.) Bills receivable iii.) Cash at bank iv.) Purchases
3. From the following information prepare trading account

Opening Stock	80,000
Purchases	8,50,000
Carriage inward	52,000
Wages	54,000
Sales	11,24,000
Closing stock	1,00,000

4. State any two disadvantages of Single entry Book keeping.
5. What is the need for preparing Bank Reconciliation Statement?
6. What is Suspense Account?
7. Rectify the following errors.
 - a.) Purchases book is carried forward Rs.450 less.
 - b.) A total of Rs.758 in the Purchases book has been carried forward as Rs.857.
8. Prepare Bank Reconciliation Statement as on 31-12-2013
 - a. Balance as per cash book Rs.2,28,800.
 - b. Three cheques for Rs. 22,500, Rs.3,740 and Rs.2700 issued in December were presented for Payment in Jan2014.
 - c. Two Cheques of Rs.23,000 and Rs.3,700 were sent for collection but no collection was made during the year.
9. Pass the journal entries for the following transactions
 - a. Goods used personally by proprietor for Rs.5000

b. Commenced business with a Capital of Rs.50,000

10. Mention any three causes for depreciation
11. Mention the various methods of providing depreciation
12. What are the components of final accounts?

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

Answer any **FIVE** questions

13. Distinguish between Single entry and Double entry book keeping.
14. How do you classify errors in accounts?
15. Rectify the following errors:
 - a. Purchases from Akila for Rs.1500 has been posted to the debit side of her account
 - b. Sales to Vijay for Rs.1520 has been posted to his credit as Rs.1250.
 - c. A payment of Rs.1500 for salaries (to Sundar) has been posted twice to Salaries Account
 - d. A Sum of Rs.400 written off as depreciation on Machinery has not been credited to the Machinery account.

16. From the following balances prepare Trading and Profit & loss account

Opening Stock	3600	Rent (Factory)	400
Purchases	18260	Rent(office)	500
Wages	3620	Sales Returns	700
Closing Stock	4420	Purchases Returns	900
Sales	32000	General expenses	900
Carriage on Purchases	500	Discount to customers	360
Carriage on Sales	400	Interest on Bank	200

17. A company acquired a machine on 1.1.08 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
18. From the following particulars of A & Co. prepare a bank reconciliation statement.
 - i. Balance as per cash book Rs.54,000.

- ii. Rs.100 bank incidental charges debited to A & Co. account, which is not recorded in cash book.
- iii. Cheques for Rs.5,400 is deposited in the bank but not yet collected by the bank.
- iv. A Cheque for Rs.20,000 is issued by A & Co. not presented for payment.

19. From the following amounts, calculate Average Due Date.

Amount -Rs	Due Date
1000	3 rd April
1600	2 nd July
2000	11 th September

Section C ($2 \times 15 = 30$) Marks

Answer any **TWO** questions

20. Briefly explain all the accounting concepts.

21. From the following balances prepare trading, P&L and balance sheet

Capital	40,000	Sales	25,000
Purchases	15,000	Salaries	2,000
Rent	1,500	Insurance	300
Drawings	5,000	Machinery	28,000
Bank Balance	4,500	Cash	2,000
Opening Stock	5,200	Debtors	2,500
Creditors	1,000		

Value of goods on hand on 31-12-2011 – Rs.4,900

Salaries unpaid- Rs.300, Rent paid in advance – Rs.200, Insurance Prepaid- Rs.90

22. The following balances appear in the books of Mohan, Bros:

Jan 1,1980 Machinery a/c Rs.40000
 Provision for Depreciation Rs.18000

On 1.1.1980 they decided to sell a machine for Rs.4350. This machine was purchased for Rs. 8000 on 1st Jan 1976.

You are required to prepare Provision for depreciation a/c and machinery a/c on 31.12.1980 assuming the firm has been charging depreciation at 10% p.a on straight line method

23. Find out the balance as per pass book from the following particulars:

- (i) Bank overdraft as per cash book on 30th April 2000 Rs.2000;

- (ii) Cheques issued not presented for payment Rs.1,350;
- (iii) Cheques deposited but not yet collected by the banker Rs.560;
- (iv) Bank charges Rs.80 made by the bank not yet entered in cash book.
- (v) Interest on investment collected by the bankers and credited in pass book amounted to Rs.905.