

B.C.A DEGREE EXAMINATION, NOVEMBER 2019
II Year III Semester
Financial Accounting

Time : 3 Hours

Max.marks :75

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

Answer any **TEN** questions

1. What are the different kinds of Branches?
2. Calculate gross profit and cost of goods sold from the following information.
 Net Sales Rs. 2,00,000 Gross Profit is 25% on cost.
3. Who are the parties interested in accounting information?
4. What are the various methods of depreciation?
5. Define Depreciation.
6. Write any two Accounting concepts.
7. What are the methods of preparation of Trial Balance?
8. Give journal entry. Old news paper sold Rs.50
9. What are the benefits of subsidiary book system? Write any 2 points
10. Write accounting equation.
11. What is revenue expense?
12. What are the different kinds of Subsidiary Books?

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

Answer any **FIVE** questions

13. The following information relates to Madurai branch

	Rs.	Rs.
Stock on 1.1.2014		11,200
Branch debtors on 1.1.2014		6,300
Goods sent to Branch		51,000
Cash Sent to Branch for:		
Rent	1,500	
Salaries	3,000	
Petty cash	<u>500</u>	5,000
Sales at branch:		
Cash	25,000	
Credit	<u>39,000</u>	64,000
Cash received from Debtors		41,200
Stock on 31.12.2014		13,600

Prepare Branch account for the year 2014

14. 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 straightline method.
15. From the following balances extracted at the close of the year ended 31st Dec. 2014, Prepare Profit & Loss account of Mr. Raj as at that date:

	Rs.		Rs.
Gross profit	55,000	Repairs	500
Carriage on sales	500	Telephone expenses	520
Office Rent	500	Interest(Dr.)	480
General Expenses	900	Fire insurance premium	900
Discount to customers	360	Bad debts	2,100
Interest from Bank	200	Apprentice Premium(Cr.)	1,500
Travelling expenses	700	Printing & Stationery	2,500
Salaries	900	Trade expenses	300
commissiion	300		

16. Journalise the following transactions of M/s. Radha & Sons.

	Rs.
Jan 1 Business started with Rs. 2,50,000 and cash deposited with Bank	1,50,000
13 Goods returned by Yesodha	2,500
25 Cash withdrawn from bank	50,000
29 Paid advertisement expenses	12,500
31 Cash withdrawn from bank for personal use of the proprietor	6,250

17. The following transactions in the Personal account of Karthi Prepare Ledger A/C

2000 Apr	Rs.
1 Sold goods to Karthi	6,000
5 Cash received from karthi and allowed him discount	5,800 200
18 karthi purchased goods	8,000
30 Received Cash from Karthi on account	4,500

18. Explain the objectives of Trial Balance
19. What are the features of Dependent Branch?

Section C (3 × 10 = 30) Marks

Answer any **THREE** questions

20. Explain the characteristics & causes of Depreciation.

21. A company acquired a machine on 1.1.88 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.
22. Prepare Trading , Profit & Loss A/c and Balance Sheet from the following Trial Balance of Mr. Mohan

Debit Balances	Rs.	Credit Balances	Rs.
Sundry Debtors	92,000	Mohan's Capital	70,000
Plant & Machinery	20,000	Purchase Returns	2,600
Interest	430	Sales	2,50,000
Rent, Rates, Taxes & Insurance	5,600	Sundry Creditors	60,000
Conveyance charges	1,320	Bank Overdraft	20,000
Wages	7,000		
Sales Returns	5,400		
Purchases	1,50,000		
Opening stock	60,000		
Mohan's Drawings	22,000		
Trade Expenses	1,350		
Salaries	11,200		
Advertising	840		
Discount	600		
Bad Debts	800		
Business premises	12,000		
Furniture & Fixtures	10,000		
Cash in hand	2,060		
	4,02,600		4,02,600

Adjustments:

- Stock on hand on 31-12-2016 Rs. 90,000
 - Provide depreciation on premises at 2.5%, Plant & Machinery at 7.5% and furniture & fixtures at 10%
 - Write off Rs. 800 as further bad debts.
 - Provide for doubtful debts at 5% on sundry debtors.
 - Outstanding rent was Rs. 500 and outstanding wages Rs. 400.
 - Prepaid insurance Rs. 300 and prepaid salaries Rs. 700.
23. The following balances were extracted from the ledger of Ram Engg. works on 31st March 2017. You are required to prepare a trial balance as on that date in proper form

	Rs.		Rs.
Drawings	6,000	Salaries	9,500
Capital	24,000	Sales Returns	1,000
Sundry creditors	43,000	Purchase Returns	1,100
Bills Payable	4,000	Travelling expenses	4,600
Sundry debtors	50,000	Commission paid	100
Bills receivable	5,200	Trading expenses	2,500
Loan from Karthik	10,000	Discount earned	4,000
Furniture & Fixtures	4,500	Rent	2,000
Opening stock	47,000	Bank overdraft	6,000
Cash in hand	900	Purchases	70,800
Cash at bank	12,500	Tax	3,500
Sales	1,28,000		

24. A Madras head office has a branch at Salem to which goods are invoiced at cost plus 20%. From the following particulars, prepare Branch account in the head office books.

	Rs.
Goods sent to Branch	2,11,872
Total Sales	2,06,400
Cash Sales	1,10,400
Cash received from Branch Drs	88,000
Branch Debtors on 1.1.96	24,000
Branch Stock on 1.1.96	7,680
Branch Stock on 31.12.96	13,440