

B.Com(A&F) DEGREE EXAMINATION, NOVEMBER 2019
I Year I Semester
Financial Accounting

Time : 3 Hours

Max.marks :75

Section A (10 × 2 = 20) Marks

Answer any **TEN** questions

1. What do you mean by double entry book keeping?

2. Journalise the following transactions

2018	Aug. 11	Paid salaries	Rs. 9,000
	Aug. 16	Good purchased from Ravi for	Rs. 11,000

3. Enter the following transactions in the cash book with discount columns:

Date	Particulars	Amount(Rs.)
2018 Jan 1	Cash in hand	12,000
5	Paid to Raghu	1,500
	Allowed discount by him	100
8	Purchased goods	6,000
10	Received from sanjay	2,000
	Discount allowed	Rs.150

4. What do you mean by Life membership fees?

5. What is Gross Profit?

6. What is sale or return?

7. On 1st January 2016, the amount due from Ramesh to Kannan was Rs.1,200. During the six months ended June, the transactions were as follows:

			Rs.
2016	Feb 1	Sold goods to Ramesh	2,500
	March 1	Purchased goods from Ramesh	650
	April 1	Cash received from Ramesh	800

Prepare an account current to be rendered by Kannan to Ramesh on 30th June 2016. Calculate interest @12% p.a.

8. Define depreciation.

9. Stock on the date of fire Rs. 15,000, Stock salvaged Rs. 4,000. Calculate the claim.

10. Define Single entry system.

11. Calculate the profit at the end of the year from the following information:

	Rs.
Capital at the beginning of the year	2,000
Capital at the end of the year	9,000
Drawings	1,800
Additional capital	5,000

12. Calculate Total sales from the following details:

Opening Debtors Rs. 46,000, Cash sales Rs. 1,66,000, Return inwards Rs. 11,000, Closing Debtors Rs. 1,90,000.

Section B ($5 \times 5 = 25$) MarksAnswer any **FIVE** questions

13. Explain the Accounting Conventions.
 14. From the following prepare a Trial Balance

	Rs.
Drawings	25,000
Land	26,000
Stock	67,000
Debtors	83,000
Bank	22,000
Capital	3,00,000
Rent	8,000
Creditors	40,000
Purchase	8,00,000
Postage	4,000
Sales	4,02,000
Plant	20,000

15. From the following, find out how much has to shown in Income and Expenditure A/c for the year ending 31.12.2017 under the heading subscription.
 (a) Subscription received for the year as per Receipts and Payments A/c Rs.29,600
 (b) Subscription outstanding on 1.1.17 Rs.3,500
 (c) Subscription outstanding on 31.12.17 Rs.4,200
 (d) Subscription received in advance on 1.1.16 Rs.1,500
 (e) Subscription received in advance on 31.12.17 Rs.1,000.
 16. Mr. Saravanan accepted the following Bills payable to Ram:

Date of acceptance	Term(in months)	Amount(Rs.)
15.9.2008	2	2,000
10.10.2008	2	4,000
30.11.2008	3	5,000
10.12.2008	3	6,000
30.1.2009	2	3,000

Calculate Average due date.

17. A fire occurred in the premises of a general merchant on 31.8.18. From the available records the following information are found:

		Rs.
Sales	1.1.18 to 31.8.18	12,70,000
Purchases	1.1.18 to 31.8.18	7,50,000
Stock	1.1.18	2,40,000

The Gross profit ratio for the past 5 years is 35%. Stock salvaged Rs.20,000. Find out the claim to be made from the insurance company.

18. Find credit purchase from the following:

	Rs.
Bills payable issued during the year	8,000
Discount allowed by the supplier	2,000
Cash paid to supplier	20,500
Purchase returns	3,000
Opening creditors	5,000
Closing creditors	7,000

19. What are the defects of single entry system?

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

Answer any **TWO** questions

20. Journalize the following transactions in the books of Kumar for the month July 2018.

July 1	Kumar commenced business with	Rs. 3,00,000
2	Paid into bank	Rs. 5,000
3	Purchased plant worth	Rs. 20,000
8	Sold goods for cash	Rs. 30,000
15	Paid rent	Rs. 2,500
18	Withdrawn from bank for office use	Rs. 5,500
20	Paid salaries	Rs. 2,800
25	Withdrawn for personal use	Rs. 3,500
27	Paid for office furniture	Rs. 16,000 by cheque
30	Received commission	Rs. 3,000

21. From the following Trial balance as on 31.12.2015 prepare Trading, Profit and Loss A/c and Balance sheet as on that date.

Particulars	Debit(Rs.)	Credit(Rs.)
Stock on 1.1.2015	5,800	-
Cash in hand	2,000	-
Drawings	2,840	-
Rent	480	-
Machinery	4,000	-
Tax	600	-
Provision for bad debts	-	420
Bad debts	800	-
Capital	-	19,000
Interest	-	320
General expenses	1,760	-
Purchase	42,000	-
Debtors	16,800	-
Sales	-	47,000
Creditors	-	8,960
Sales returns	840	-
Purchase returns	-	800
Commission	-	1,420
	77,920	77,920

Adjustments:

- Depreciation on machinery 10% p.a.
- Rent outstanding Rs.500.

- (c) Tax prepaid Rs.100.
- (d) Provision for bad debts is to be increased to 5% on debtors.
- (e) Closing stock Rs.3,500.

22. On 1.1.2014, X purchased a machine for Rs. 60,000. On 1.7.2014 additions were made for Rs. 20,000. On 1.4.2016, Rs. 6,400 worth of additions was made. On 31.12.16, the first machinery was sold for Rs.36,000. Show Machinery account from 2014 to 2016 in the books of X under diminishing balance method at 10% per annum. Accounts are closed at 31st December every year.
23. Sanjay a trader, does not keep proper books of account. However, he furnishes you the following particulars.

	31st March, 2013	31st March, 2014
	Rs.	Rs.
Cash at bank	4,300	5,000
Cash in hand	500	3,000
Stock in Trade	38,000	45,000
Debtors	14,000	20,000
Office Equipment	5,000	5,000
Sundry Creditors	30,000	20,000
Furniture	4,000	4,000

During the year Sanjay introduced Rs. 30,000 as further capital and withdrew Rs. 10,000 as drawings. Write off depreciation on furniture at 10% and on office equipment at 5%. Prepare a statement showing the Profit or Loss made by him for the year ended 31st March, 2014.