

B.Com(A&F) DEGREE EXAMINATION, APRIL 2020
I Year I Semester
Financial Accounting

Time : 3 Hours

Max.marks :75

Section A (10 × 2 = 20) Marks

Answer any **TEN** questions

1. What is Double entry system?
2. Give the meaning of Average due date.
3. What is single entry system?
4. Journalize the following transactions:
 - a. Commenced business with a capital of Rs.60,000
 - b. Goods taken by the proprietor Rs.12,000
5. State whether the balances in the following accounts should be placed in debit column or credit column of Trial Balance:

Sl.No.	Ledger balances
1	Loan from Rohini
2	Bank overdraft
3	Carriage outwards
4	Discount received
6. Pass adjustment entries for the following:
 - a. Rs.20,000 for wages were outstanding
 - b. Closing stock Rs.50,000
7. Calculate the amount of depreciation from the following:
 - a. Cost of machinery Rs.50,000
 - b. Residual value Rs.10,000
 - c. Useful life 10 years
8. Ascertain the claim from the following information:
 - a. Amount of policy Rs.30,000
 - b. Stock on the date of fire Rs.64,000
 - c. Actual loss of stock Rs.40,000
9. Find out profit from the following data;

a. Capital at the beginning of the year	Rs.8,00,000
b. Drawings	Rs.1,80,000
c. Capital at the end of the year	Rs.9,00,000
d. Capital introduced	Rs.50,000
10. From the following, ascertain opening stock on 1.1.1996:

a. Purchase made during the year	Rs.2,50,000
b. Sales made during the year	Rs.3,25,000
c. Stock on 31.12.1996	Rs.60,000
d. Wages	Rs.3,000
e. Rate of gross profit	25%

11. How the following will appear in Income and Expenditure account of sports club for the year 31.12.1999?

- | | |
|---|----------|
| a. Stock of sports materials on 1.1.99 | Rs.800 |
| b. Stock of sports materials on 31.12.99 | Rs.1,200 |
| c. Purchase of sports materials during the year | Rs.5,000 |
| d. Sale of old sport materials during the year | Rs.300 |

12. Calculate the due date for the following bills:

Date of Bill	Amount	Term
12th January	600	2 months
14th February	500	2 months

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

Answer any **FIVE** questions

13. What are the objectives of accounting?

14. What are the causes for depreciation?

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

2018 Jan 1	Cash in hand	Rs.2,00,000
5	Paid to Ramesh discount allowed by him	Rs.51,400 Rs.200
8	Purchased goods	Rs.17,800
10	Received from Ravi discount allowed	Rs. 2,000 Rs.30

16. Calculate the amount of stationery consumed during the calendar year 2017

Stock of stationery as on Jan 1 2017	3,500
Creditors for stationery on Jan 1 2017	300
Advance paid for stationery during the year	400
Amount paid for stationery during the year	10,000
Stocks of stationery on Dec 31 2017	500
Creditors for stationery for Dec 31 2017	1,200
Advance paid for stationery on Dec 31 2017	1,400

17. A machine purchased on 1st July 1983 at a cost of Rs.14,000 and Rs.1,000 was spent on its installation. The depreciation is written off at 10% on the original cost every year. The books are closed on 31st December each year. The machine was sold for Rs.9,500 on 31st March 1985. Show the machinery account for all the years.

18. Ramesh keeps his books on single entry basis. Prepare a statement of affairs as on 31.12.2016 and a statement of profit or loss for the period ending 31.12.2016

Assets & liabilities	1.1.2016	31.12.2016
Bank balance	560(cr)	350(Dr)
Cash on hand	10	50
Debtors	4,500	3,600
Stock	2,700	2,900
Plant	4,000	4,000
Furniture	1,000	1,000

Ramesh had withdrawn Rs.2,000 during the year and had introduced fresh capital of Rs.4,200 on 1.7.2016 and a provision of 5% on debtors is necessary. Write off depreciation on plant at 10% and furniture at 15%.

19. On 1.7.2008 Akash owes Rs.6,000 to Ramesh. The following transactions were carried out during the period of 6 months 31.12.2008.

		Rs.
1.7.08	Sales made to Akash	8,000
1.8.08	Amount received from Akash	6,000
1.9.08	Sales made to Akash	10,000
1.10.08	Goods sold by Akash to Ramesh	7,000
1.11.08	Sales to Akash	5,000
1.12.08	Cash received from Akash	8,000
30.12.08	Cash received from Akash	2,000

Prepare the Account current which should be given to Akash as on 31.12.2008. Calculate interest @12% p.a.

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

Answer any **TWO** questions

20. Journalize the following transactions in the books of Ravi for the year 2017:

Date 2012 March	Particulars	Amount in Rs.
1	Commenced business	1,50,000
3	Purchase goods from Venu	20,000
8	Purchased goods for cash	40,000
10	Sold goods for cash	50,000
13	Sold goods to Gopal	75,000
17	Paid cash to Uma	42,000
23	Received cash from Gopal	74,000
24	Withdrew from Bank	30,000
26	Paid salaries	20,000
30	Deposited into Bank	60,000

21. From the following Trial balance as on 31.12.2016, prepare Trading, Profit and Loss a/c and Balance as on that date.

Particulars	Debit	Credit
Stock on 1.1.2016	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
General expenses	1,760	-
Purchase	41,200	-
Debtors	16,800	-
Sales	-	46,160
Creditors	-	8,960
Commission	-	1,740
	76,280	76,280

Adjustments:

- (a) Depreciation on machinery 10% p.a.
- (b) Rent outstanding Rs.1,000.
- (c) Tax prepaid Rs.200.
- (d) Provision for bad debts is to be increased to 5% on debtors.
- (e) Closing stock Rs.3,500.

22. A company, whose accounting year is the calendar year, purchased on 1st April, 2015, machinery costing Rs. 30,000. It purchased further machinery on 1st October, 2015 costing Rs. 20,000 and on 1st July 2016 costing Rs. 10,000. On 1st January 2017, the machinery installed on 1st April 2015 became obsolete and was sold for Rs. 13,000. Machinery is depreciated on fixed installment method at 10% p.a. Show the machinery account. Accounts are closed on 31st December every year.
23. Ravi keeps his books on Single Entry System. From the following particulars prepare Trading and Profit and Loss a/c and Balance Sheet for the year ended 31.12.2017 .

On 1.1.2017 his assets and liabilities were as follows:

Stock	50,000
Debtors	60,000
Machinery	60,000
Furniture	5,000
Sundry creditors	30,000
Bank O/D	10,000

The cash book gives the following information:

Receipts from debtors	80,000
Cash sales	30,000
Payment to creditors	40,000
Cash purchase	25,000
Interest on bank OD	1,500
Discount allowed to debtors	4,000
Discount from creditors	2,500
Salaries	5,000
Drawings	4,000
General expenses	8,000
Rent	2,200
Sales return	3,000
Purchase return	1,500

His position as on 31.12.2017 :

Stock	45,000
Debtors	70,000
B/R	6,000
B/P	4,000
Machinery	60,000
Furniture	5,000
Sundry creditors	25,000
Salary outstanding	500

Write off depreciation at 10% on Machinery and 6% on furniture.