

**SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)**

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)
Chromepet, Chennai — 600 044.

BA.END SEMESTER EXAMINATION APRIL/NOV - 2021

SEMESTER - III

08UECAT3FA3 - Basic Financial Accounting

Total Duration : 3 Hrs	Total Marks : 75
MCQ : 30 Mins	MCQ : 15
Descriptive : 2 Hrs.30 Mins	Descriptive : 60

Section B

Answer any **SIX** questions ($6 \times 5 = 30$ Marks)

1. What is double entry system? What are its advantages?

2. Journalise the following transactions of Mr. Balajee 2003

- March 1 Balajee commenced business with cash Rs.1,60,000
2 Opened current account with Indian Bank Rs.40,000
3 Bought goods from Santhanam Rs.20,000
4 Sales to Radha Rs.16,000
5 Sold good to Jagan Rs.80,000
6 Sree sold goods to us Rs.10,000
7 Kannan bought goods from us Rs.6,000
8 Typewriter purchased Rs.12,000
9 Paid salaries Rs.5,000
25 Drew cheque for personal use Rs.3,000

3. Prepare a bank reconciliation from the following:

	Rs.
a) Bank overdraft as per pass book	80,000
b) Cheques deposited but not presented for payment	3,000
c) Cheques deposited but not yet collected by the bank	2,000
d) Bank charges not yet recorded in cash book	800

4. Prepare Trading a/c for the year ended 31.12.09 as on that date:

	Rs.		Rs.
Opening stock	80,000	Purchases	8,60,000
Freight inward	52,000	Wages	24,000
Sales	14,40,000	Purchase Returns	10,000
Sales returns	3,16,000	Closing stock	1,00,000
Import duty	30,000		

5. A firm purchased a machine for Rs.80,000 on 1.4.2000. It was depreciated at 10% on written down value method. On 31.3.2002, they decided to change the method of depreciation under straight line method from 1.4.2002. Prepare machinery account for all the years up to 1.4.2003.

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6. An asset is purchased for Rs.1,00,000 on 1.1.05. Depreciation is to be provided annually @ 10% under SLM. Prepare an asset a/c for first 3 years.
7. Analyse the purpose of preparing Final accounts.
8. From the following facts you are required to calculate total purchases.

	Rs.
Bills payable on 1 st January	5,000
Creditors 1 st January	6,000
Bills payable 31 st December	7,000
Creditors 31 st December	4,000
Cash paid to creditors during the year	30,200
Bills payable discharged during the year	8,900
Returns outwards	1,200
Cash purchases	25,800

Section C

Answer any **THREE** questions (3 × 10 = 30 Marks)

9. Recorrect the given trial balance:

Debit Balance	Rs.	Credit Balance	Rs.
Opening Stock	10,000	Loan (Cr)	15,000
Purchases	49,000	Sundry debtors	42,000
Wages	15,000	Capital	50,000
Rent	1,000	Provision for bad	2,800
Salaries	8,000	Sales returns	2,000
General expenses	900	Discount allowed	500
Plant	15,000		
Furniture	8,000		
Cash at bank	5,000		
Sundry Credit	20,000		
Sales	1,28,600		
Building	60,000		
	3,20,500		1,12,300

10. What are accounting concepts? Explain them.
11. From the following, calculate the amount of claim in respect of fire occurred in a business on 31.12.2006.

Particulars	Rs.
Sales 1.4.2006 to 31.12.2006	12,00,000
Purchases 1.4.2006 to 31.12.2006	8,00,000
Stock on 31.3.2006	2,00,000
Gross profit 25% on sales.	

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08UECAT3FA3 - Basic Financial Accounting

12. A company whose accounting year is the calendar year, purchased on 1-1-93 a machine for Rs.40,000. It purchased further machinery on 1st Oct. 1993 for Rs.20,000 and on 1st July 1994 for Rs.10,000. On 1-7-1995, 1/4th of the machinery installed on 1-1-1993 became obsolete and was sold for Rs.6,800. Show how the machinery account would appear in the books of the company for all the 3 years under Diminishing Balance method. Depreciation is to be provided at 10% p.a.
13. Distinguish between 'Receipts and payments Account' and 'Income and Expenditure Account'.