

**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**

20UECAT3003 - 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 accounting? Explain its objectives.
2. Explain the following Accounting concepts.
a) Going concern concept b) Accounting period concept c) Matching concept
3. Journalize the following transaction in the books of Mr. Rahim of Pernampet.
2000
April 1 Commenced business with Rs.5,00,000
2 Cash deposited into bank Rs.25,000
3 Purchased goods for cash Rs.20,000
4 Paid carriage Rs.80
10 Purchased machinery for Rs.40,000
11 Purchased goods from Star Ltd., for Rs.12,000
12 Sold goods to Ahmed on account for Rs.15,000.
4. Record the following transactions in the personal account of Mr. Dhoni
2000
Apr. 1 Sold goods to Dhoni 6,000
5 Cash received from Dhoni 5,800
18 Dhoni purchased goods 8,000
30 Received cash from Dhoni on account 4,500
May 1 Balance from last month b/d 3,500
12 Sold goods to Dhoni 12,000
22 Received cash from Dhoni 4,850
31 Received cash in full settlement of Dhoni's A/c 10,250
5. Prepare a bank reconciliation statement from the following data as on 31-12-1995.
a) balance as per cash book 12,500
b) Cheques issued but not presented for payment 900
c) Cheques deposited in bank but not collected 1,200
d) Bank paid insurance premium 500
e) Direct deposit by a customer 800
f) Interest on investment collected by bank 200
g) Bank charges 100

Contd...

6. Prepare trading and profit and loss account from the information given below:

| Particulars | (Rs.) | Particulars | (Rs.) |
|-----------------------|--------|--------------------|-------|
| Opening stock | 3,600 | Rent(factory) | 400 |
| Purchases | 18,260 | Rent(Office) | 500 |
| Wages | 3,620 | Sales Returns | 700 |
| Closing Stock | 4,420 | Purchases Returns | 900 |
| Sales | 32,000 | General Expenses | 900 |
| Carriage on purchases | 500 | Discount (Dr.) | 360 |
| Carriage on Sales | 400 | Interest from Bank | 200 |

7. A firm purchased a machine for Rs.1,00,000 on 1-7-2017. Depreciation is written off @ 10% on reducing balance method. The firm closes its books on 31st Dec. each year. Show the Machinery account upto 31-12-2019.
8. From the following information, you are required to calculate total sales:

| Particulars | (Rs.) | Particulars | (Rs.) |
|---|--------|------------------------------|--------|
| Bills Receivable in the beginning | 7,800 | Bad debts written off | 2,800 |
| Debtors in the beginning | 30,800 | Returns inwards | 8,700 |
| Bills receivable encashed during the year | 20,900 | Bills receivable at the end | 6,000 |
| Cash received from Debtors | 70,000 | Debtors at the end | 25,500 |
| | | Cash sales(as per cash book) | 40,900 |
| | | Bills receivable dishonoured | 1,800 |

Section C

Answer any **THREE** questions ($3 \times 10 = 30$ Marks)

9. Prepare Trial balance from the following:

| Particulars | (Rs.) | Particulars | (Rs.) |
|----------------|--------|-------------------|-------|
| Opening stock | 10,600 | Wages | 2,200 |
| Carriage | 200 | Commission (Dr) | 300 |
| Purchases | 12,000 | Returns inward | 440 |
| Trade expenses | 580 | Rent | 200 |
| Plant | 2,600 | Repairs to plant | 460 |
| Cash in hand | 200 | Cash at bank | 1,000 |
| Debtors | 3,000 | Income tax | 500 |
| Drawings | 700 | Return outwards | 150 |
| Sales | 25,200 | Discount received | 400 |
| Capital | 7,000 | Creditors | 830 |
| Loan (Cr) | 1,400 | | |

Contd...

SEMESTER - III
20UECAT3003 - Basic Financial Accounting

10. From the following balances provided by Sun Ltd., Prepare Trading and Profit & loss account and a Balance sheet for the year ending 31-03-2007.

| Particulars | (Rs.) |
|--------------------|--------------|
| 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 |
| Stock 1/1/07 | 5,200 |
| Debtors | 2,500 |
| Creditors | 1,000 |

Adjustments:

- Stock on 31/12/07 was Rs.4,900
 - Salaries unpaid Rs.300
 - Rent paid in advance Rs.200
 - Insurance prepaid Rs.90.
11. Mr. Shanmugavel purchased (Second) a machine for Rs.8,000 on 1st April 1990. He spent Rs.3,500 on its installation. Depreciation is written off @10% p.a. on the original cost. On 30th June 1993, the machine was found to be unsuitable and sold for Rs.6,500. Prepare the machine account from 1990 to 1993 assuming that the accounts are closed on 31st December every year.
12. The position of a businessman who keeps his books under single entry system was as under 31-12-2000 and 31-12-2001.

| | 2000 | 2001 |
|------------------|--------------|--------------|
| | (Rs.) | (Rs.) |
| Cash in hand | 400 | 480 |
| Cash at bank | 6,000 | 2,500 |
| Stock | 6,500 | 5,000 |
| Debtors | 4,000 | 5,200 |
| Furniture | 300 | 350 |
| Sundry creditors | 4,100 | 3,100 |

He withdraws Rs.7,500 from business on 2.1.2001 out of which he spent Rs.5,200 for Purchase of a motor truck for the business.

Contd...

SEMESTER - III
20UECAT3003 - Basic Financial Accounting

Adjustments:

- a) Depreciation on closing balance of furniture and truck at 10%.
- b) Write off Rs.220 as bad debts.
- c) 5% provision for bad and doubtful debts is needed.

Find out the profit or loss for the year.

13. From the following particulars prepare a bank reconciliation statement showing the balance as per cash book on 31st Dec.2003.

(a) The following cheques were paid into bank in December 2003 but were credited by the bank in January 1994.

Premnath – Rs.350

Shyamlal – Rs.250

Ramlal – Rs.200

(b) The following cheques were issued by the firm in December 1993 but were presented for payment in January 2004.

Suresh - Rs.400

Ramesh- Rs.450

(c) A cheque for Rs.100 which was received from a customer was entered in the bank column of cash book in December 2003 but was omitted to be banked in the month of December.

(d) The pass book shows a credit of Rs.100 for interest and debit of Rs.20 for bank charges.

The bank balance as per pass book was Rs.6,200 on 31st December 2003.