

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.
B.Com. END SEMESTER EXAMINATIONS APRIL-2022
SEMESTER - I
20UCOCT1001 - Financial Accounting-I

Total Duration : 3 Hrs.

Total Marks : 60

Section A

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

1. Define accounting. What are the objectives of accounting?
2. Rectify the following errors:
 - a. Sales to Rahul Rs.2,800 has not been recorded.
 - b. Purchases from Ramu for Rs.500 has not been recorded in purchases book completely.
 - c. Sales returns by Rahul Rs.300 has not been recorded.
 - d. B/R Rs.4,000 endorsed to Bharath has not been recorded in the book.
3. Sachin has obtained the following amounts as loan from Dhoni. Their due dates are also given below. Sachin likes to give the total amount of loan, which he has to repay in one instalment without loss to both of them. Calculate the date of payment for it.

Amount (Rs.)	Due Date
400	05.01.2021
200	20.01.2021
800	04.02.2021
100	26.02.2021
50	10.03.2021

4. Mr.Ragu involved in the following transactions with Sugu in the year 2020:

		Rs.
01.07.2020	Balance payable by Sugu	900
15.07.2020	Sold to Sugu	2850
10.08.2020	Cash received from Sugu	1650
19.08.2020	Purchases from Sugu	1050
03.09.2020	Goods return to Sugu	450
16.09.2020	Cash received from Sugu	750

Prepare the Account Current, which Ragu prepares and sent to Sugu as on 30.09.2020. Calculate interest @10% p.a.

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5. An asset is purchased on 01.01.2016 for Rs.1,90,000 and an amount of Rs.10,000 was spent for its installation. Books are closed on 31st December every year. Depreciation is charged at the rate of 10% on its original cost every year. The machinery was sold on 01.06.2019 for Rs.1,40,500. Prepare machinery account for all the years.

6. Fire broke out in a trade's business premises on 31.12.2018. The following information were extracted from the records saved from fire:

Rs.

Goods sold from 01.01.2018 to 31.12.2018 6,00,000

Goods purchased from 01.01.2018 to 31.12.2018 4,00,000

Value of stock as on 31.12.2017 1,10,000

Average of past four year's gross profit on sales was 25%. Salvage value of stock has been accepted at Rs.10,000. Calculate the amount of claim to be lodged with insurance company.

7. Distinguish between single entry and double entry systems.

8. Mr. Gopal keeps his books under single entry system. His position as on 01.04.2020 was under:

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
Bills payable	6,200	Cash in hand	270
Sundry creditors	20,000	Cash at bank	13,880
Capital A/c	1,60,000	Sundry debtors	38,400
		Stock	48,650
		Plant	80,000
		Furniture	5,000
	1,86,200		1,86,200

On 31.03.2021, his position was as follows:

Cash in hand Rs.400; Cash at bank Rs.15,800; Sundry creditors Rs.9,200; Stock Rs.66,700; sundry debtors Rs.30,300; Bills payable Rs.6,600; Bills receivable Rs.8,800; Plant and Furniture are to be depreciated at 10%. Drawings for the year Rs.18,000. Prepare a statement of affairs as on 31.03.2021 and calculate the profit for 2020-2021.

Section B

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

9. Explain various accounting concept and conventions.

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10. Prepare a Trading and Profit and Loss Account for the year ending 31st March 2021 and a Balance Sheet as on that date from the following balances:

Particulars	Rs.
Capital	52,000
Sales	1,01,000
Purchases return	1,900
Opening stock	22,000
Furniture and fittings	5,500
Sundry creditors	6,200
Investments	16,700
Salaries	1,800
Sales return	5,200
Printing and stationery	240
Sundry debtors	31,000
Purchases	72,000
Rent	560
Carriage inwards	390
Bad debts	160
Postage and telegrams	210
Travelling expenses	550
Cash at bank	3,270
Wages	1,300
Insurance	220

Adjustments:

- a) Salaries outstanding Rs.150.
 - b) The closing stock was Rs.18,500.
 - c) Insurance was prepaid Rs.30.
 - d) Charge 10% depreciation on furniture.
11. From the following particulars,ascertain the bank balance as per cash book of Mr.Ramesh as at 31st March 2021.
- i. Credit balance as per pass book as on 31-03-2021 Rs.2,500.
 - ii. Bank charges of Rs.60 had not been entered in the cash book.
 - iii. Out of the cheques of Rs.3,500 paid into the bank, a cheque of Rs.1,000 was not yet credited by the banker.
 - iv. Out of the cheques issued for Rs.4,500,cheques of Rs.3,800 only were presented for payment.
 - v. A dividend of Rs.400 was collected by the banker directly but not entered in the cash book.
 - vi. A cheque of Rs.600 had been dishonoured prior to 31.03.2021 but no entry was made in the cash book.

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12. A company whose accounting year is the calendar year, purchased on 01.01.2013 a machine for Rs.40,000. It purchased further machinery on 01.10.2013 for Rs.20,000 and on 01.07.2014 for Rs.10,000. On 01.07.2015, $\frac{1}{4}$ of the machinery installed on 01.01.2013 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. From the following particulars, Prepare (a) Total Debtors A/c (b) Total Creditors A/c (c) Bills Receivable A/c (d) Bills Payable A/c.

	Rs.
On 1.1.2021	
Total debtors	40,000
Total creditors	15,000
Total bills receivable	16,000
Total bills payable	6,000
Transactions during the year:-	
Cash received from debtors	30,000
Discount allowed to debtors	6,000
Bad debts written off	3,000
Returns inwards	5,000
Cash sales	16,000
Cash purchases	7,000
Cash received against B/R	10,000
Cash paid to suppliers	10,000
(including a payment of Rs.1,000 for purchasing machine)	
Cash paid against B/P	3,000
Discount received from suppliers	600
Return outward	1,500
Bills payable dishonored	600
On 31.12.2021	
Total debtors	70,000
Total creditors	15,000
Total bills receivable	16,000
Total bills payable	8,000
