

**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.(A&F) END SEMESTER EXAMINATIONS APRIL-2023**

**SEMESTER - I**

**20UAFCT1001 - Financial Accounting**

Total Duration : 2 Hrs. 30 Mins.

Total Marks : 60

**Section B**

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

1. List out the various accounting concepts.
2. Explain the steps involved in preparation of income and expenditure account.
3. Niveditha maintains a two column Cash book which she balances each week.

<b>2015 March</b>		<b>Rs.</b>
25	Her cash book showed balance	6,900
26	Paid cash to kumar	1,428
	Discount received	72
29	Paid salaries	5,025
30	Cash sales	11,370
30	Withdrew cash for private expenses	1,020
31	Received as compensation from railway authority	4,380
	Received cash from Shanthi lal	3,975
	Allowed him discount	75

4. Prepare Receipts and Payments A/c of a club for the year ended 31-12-2017 from the following particulars:

	<b>Rs.</b>		<b>Rs.</b>
Opening balance of cash	40,000	Rent paid	1,200
Receipt of entrance fees	8,000	Payment for purchase of cricket balls	500
Subscription received for 2017	16,000	Payment for purchase of cricket bats	1,600
Previous year's subscription received	1,600	Payment for stationery in cash	100
Paid salaries	2,000		
Paid for miscellaneous expenses	200		

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5. On 1<sup>st</sup> may 2014, Ravi owes Rs.9,000 to Mahesh. The following transaction took place between them till 31.12.2014, on which date, account current is to be prepared.

Date	Particulars	Amount (Rs.)
1.5.2014	Sales to Ravi	4,000
16.6.2014	Ravi paid Mahesh	2,000
01.08.2014	Goods sold by Ravi to Mahesh	6,000
01.09.2014	Sales to Ravi	8,000
01.11.2014	B/R accepted by Ravi	6,000
01.12.2014	Cash received from Ravi	4,000

Prepare an account current to be sent to Ravi by Mahesh as on 31.12.2014. Interest is charged at 12% p.a.

6. A machine purchased on 1<sup>st</sup> July 2013 at a cost of Rs.14,000 and Rs.1,000 was spent on its installation. The depreciation is written off @ 10% on the original cost every year. The books are closed on 31<sup>st</sup> December each year. The machine was sold for Rs.9,500 on 31<sup>st</sup> March 2016. Show the machinery A/c for all the years.
7. A retail merchant commenced business with a capital of Rs.12,000 on 1.1.2014. Subsequently on 1.5.2014 he invested a further capital of Rs.5,000. During the year, he has withdrawn Rs.2,000 for his personal use. On 31-12-14, his assets and liabilities were as follows:

	Rs.
Cash at bank	3,000
Debtors	4,000
Stock	16,000
Furniture	2,000
Creditors	5,000

Calculate the profit or loss made during the year 2014.

8. Fire occurred at the premises of a trader on 31-5-2014 destroying a great part of his goods. His stock at 1-1- 2014 was Rs.60,000. The value of stock salvaged was Rs.13,500. The gross profit on sale was 30% and sales amounted to Rs.1,53,000 from January to date of fire, while for the same period the purchases amounted to Rs.1,03,500. Prepare a statement of claim.

### Section C

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

9. Enter the following transactions in the journal and ledger of Hari.

		Rs.
<b>2014</b>		
<b>1-Jul</b>	Commenced business with cash	1,80,000
	Deposited into bank	55,000
	Purchased goods for cash	22,000
	Bought goods of Kapil	10,000
	Cash sales	15,000
	Paid wages	3,000
	Sold goods to Jagan	5,000
	Paid cash for stationery	1,500
	Withdrew cash for private expenses	2,000
	Received cash from Jagan	5,000

10. From the following Trial balance extracted from the books of Sundar, prepare Trading and profit & loss A/c and Balance sheet for the year ended 31-12-2015

Debit balances	Rs.	Credit balances	Rs.
Cash at bank	2,610	Creditors	4,700
Book debts	11,070	Discounts	150
Salaries	4,950	Creditors for expenses	400
Carriage inwards	1,450	Return outwards	2,520
Carriage outwards	1,590	Sales	80,410
Bad debts	1,310	Capital	40,000
Office expenses	5,100		
Purchases	67,350		
Return inwards	1,590		
Furniture	1,500		
Stock	14,360		
Insurance	3,300		
Depreciation on property	1,200		
Free hold property	10,800		
	<b>1,28,180</b>		<b>1,28,180</b>

Adjustments

- a. Make provisions for doubtful debts at 5%
- b. Calculate discount on creditors @ 2%

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- c. Office expenses include stationery purchased Rs.800  
d. Carriage inwards includes carriage paid on purchase of furniture Rs.50.  
e. Outstanding salaries Rs.150  
f. Prepaid insurance Rs.300  
e. Stock on hand Rs.10,700 (including stationery stock Rs.200).
11. 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 1<sup>st</sup> October 1993 for Rs.20,000 and on 1<sup>st</sup> July 1994 for Rs.10,000. On 1-7-1995, 1/4<sup>th</sup> 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.
12. The position of a businessman who keeps his books on single entry was as under on 31.12.2015 and 31.12.2016:

	<b>2015 (Rs.)</b>	<b>2016 (Rs.)</b>
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 2.1.2016 out of which he spent Rs.5,200 for purchase of a motor truck for the business. 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 & doubtful debts is needed.

Find out the profit or loss for the year.

13. Mr. Vivek and Mr. Vinoth are two businessmen, who undertake mutual transactions among them. Calculate the Average due date.

<b>Goods sold by vivek to vinoth</b>			<b>Goods sold by vinoth to vivek</b>		
<b>Date</b>	<b>Amount (Rs.)</b>	<b>Tenure (Months)</b>	<b>Date</b>	<b>Amount (Rs.)</b>	<b>Tenure (Months)</b>
20.01.2011	4,000	2	25.01.2011	4,000	2
18.02.2011	5,000	2	15.02.2011	2,000	2
08.03.2011	6,000	2	11.03.2011	6,000	2

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