

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.(Hons) - END SEMESTER EXAMINATIONS NOVEMBER - 2023

SEMESTER - I

20UBHCT1001 - Financial Accounting - I

Total Duration : 2 Hrs. 30 Mins.

Total Marks : 60

Section B

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

1. Journalise the following transaction in the books of Sri T.N. of Coimbatore:
1987

- October 1 Commenced business with Rs.50,000
3 Purchased goods for cash Rs.10,000 at 5% trade discount.
4 Paid carriage Rs.50
8 Purchased machinery for Rs.20,000
10 Sold goods to Madan on account for Rs.15,000

2. The sundry debtors on 31st Dec. 95 are Rs.40,000. On analysis, it is found that debtors for Rs.36,000 are good. The debtors for Rs.3,000 are doubtful and are estimated to realise $2/3^{rd}$ of the amount and the debtors for Rs.1,000 are bad. Make a provision for doubtful debts.

Show the Journal, Profit & Loss A/c and Balance Sheet.

3. Prepare trading account of Suresh for the year ending 31.12.2018 from the following information:

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

4. From the following particulars prepare a receipts and payments account:

Particulars	Rs.	Particulars	Rs.
Cash in hand	100	Rent paid	400
Cash at bank	500	General expenses	210
Subscription received	3,300	Postage and stationery	70
Donation received	260	Sundry expenses	30
Investment purchased	1,000	Cash balance at close	20

Contd...

5. The sports club gives you its receipts and payments account for 2017, prepare income and expenditure account:

Receipts	Rs.	Payments	Rs.
To Balance b/d	1,200	By Sports equipment	3,500
To Subscription	15,300	By Rent	1,000
To Sale of newspaper	300	By Cost of entertainment	10,100
To Donation for building	10,100	By Miscellaneous expenses	800
To Sale of furniture	600	By Investments	10,000
		By Balance c/d	2,100
	27,500		27,500

Investments consisted of 4% Government loan and were purchased on 1.1.17. Subscription included Rs.700 for 2016 and Rs.200 for 2017 still received was Rs.1500 but of these Rs.200 were considered doubtful.

6. Write short note on (a) Error of Omission (b) Error of principles with examples.
7. An assets purchased for Rs.25,000. Depreciation is to be provided annually according to the straight line method. The useful life of the assets is 10 years and the residual value is Rs.5,000. You are required to find out the rate of depreciation and prepare the asset account for the first three years.
8. Distinguish between single entry and double entry systems.

Section C

I - Answer any **TWO** questions ($2 \times 10 = 20$ Marks)

9. Pass Journal entries, prepare Ledger account and Trial Balance for the following transactions in the books of Mr.Kannan:
- 2013 1 Mr.Kannan commenced business with cash Rs.36,000;
 April Goods worth Rs.18,000 and Building Rs.48,000;
 5 Purchase goods from Sockkubai Rs.6,000;
 10 Sold goods for cash Rs.4,200.
 15 Sold goods to Aparna Rs.5,400.
 20 Cash Purchases Rs.12,000.
10. From the following particulars, prepare a bank reconciliation statement as on 31/3/2010:
- Bank balance as on 31st March 2010 as per pass book Rs.30,400.
 Bank charges debited Rs.260.
 Cheques issued but not presented to bank for payment Rs.4,000.
 Cheques deposited into bank not credited in the pass book Rs.14,000.
 A cheque entered as deposit in the cash book instead as a payment Rs.440.
 Rs.728 paid into bank has been entered twice in the cash book.
 The receipt column of the cash book has been overcast by Rs.2,000.
 A cheque drawn for Rs.18 had been incorrectly entered in the cash book as Rs.198.

11. Distinguish between Receipts and Payments account and Income and Expenditure account.
12. A machine purchased on 1st July 1983 at a cost of Rs.14,000 and Rs.1,000 spent on 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 1986. Show the machinery account for all the years.

II - Compulsory question (1 × 10 = 10 Marks)

13. From the following trial balance of Mr.Hariharan as on 31st March 2015, prepare Trading account and Profit & loss account and Balance sheet taking into account the following adjustments:

Debit balance	Rs.	Credit balance	Rs.
Land and buildings	42,000	Capital	62,000
Machinery	20,000	Sales	98,780
Patents	7,500	Return outwards	500
Stock on 1.4.14	5,760	Creditors	6,300
Debtors	14,500	Bills payable	9,000
Purchases	40,675		
Cash in hand	540		
Cash at bank	2,630		
Return inwards	680		
Wages	8,480		
Fuel and powers	4,730		
Carriage on sales	3,200		
Carriage on purchases	2,040		
Salaries	15,000		
General expenses	3,000		
Insurance	600		
Drawings	5,245		
	1,76,580		1,76,580

Adjustments:

- a. Stock on 31.3.2015 was Rs.6,800;
- b. Salary outstanding Rs.1,500;
- c. Insurance prepaid Rs.150;
- d. Depreciate machinery @ 10% and Patents @ 20%;
- e. Create a provision of 2% on debtors for bad debts.
