

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.(BIM) END SEMESTER EXAMINATIONS NOVEMBER -2023

SEMESTER - I

21UBBCT1001 - Financial Accounting

Total Duration : 2 Hrs 30 Mins.

Total Marks : 60

Section B

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

1. State the Golden Rules of Double Entry system and Describe the Bases of Accounting.
2. Prepare a Trial balance with the following information:

Particular	Rs.
Capital	2,00,000
Cash	1,80,000
Creditors	1,00,000
Sales	3,00,000
Stock	70,000
Debtors	3,00,000
Bank Loan	1,50,000
Purchase	2,00,000

3. From the following balances of Maneesh, Prepare a Trading A/c, Profit & Loss A/c and Balance Sheet as at 31st December 1995.

Particular	Rs.	Particular	Rs.
Purchases	1,24,184	Capital	72,000
Postage	546	Creditors	17,440
Bad debts	574	Bills Payable	5,054
Interest	2,590	Sales	1,56,364
Insurance	834	Loan	24,000
Machinery	20,000		
Stock (1-1-95)	19,890		
Debtors	7,770		
Wages	8,600		
Salaries	8,000		
Buildings	47,560		
Discount	2,000		
Furniture	32,310		

Value of Goods on hand on 31-12-95 Rs.28,600.

4. From the following particular find out the balance as per pass book.
 - a) Bank overdraft as per cash book on 30th April 2020 Rs.2,000
 - b) Cheques issued but not presented for payment Rs.1,350
 - c) Cheques deposited but not yet collected by the banker Rs.560
 - d) Bank charges Rs.80 made by the bank not yet entered in the cash book.
 - e) Interest on investment collected by the banker and credited in the pass book amounted to Rs.905
5. A Company acquired a machine on 1.1.88 at a cost of Rs.40,000 and spent Rs.1,000 on its installation. The Firm writes off depreciation at 10% on the diminishing balance. The Books are closed on 31st December of each year. Show the Machinery A/c for 3 years.

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6. Distinguish between single entry system and double entry system.
7. Ramesh keeps his books on a Single entry basis. Prepare a Statement of affairs as on 31.10.1982 and a Statement of Profit (or) Loss for the period ending 31.10.1982.

Assets and Liabilities	1.11.81 (Rs.)	31.10.82 (Rs.)
Bank Balance	560 (Cr.)	350(Dr.)
Cash in hand	10	50
Debtors	4,500	3,600
Stock	2,700	2,900
Plant	4,000	4,000
Furniture	1,000	1,000

Ramesh had withdrawn Rs.2,000 during the year and had introduced fresh capital of Rs.4,200 on 1.7.1982. A Provision of 5% on debtors is necessary. Write off Depreciation on Plant at 10% and Furniture at 15%. Interest on Capital is to be allowed at 5%.

8. A fire occurred in the premises of a company on 15-10-2020. From the following particulars ascertain the loss of stock and prepare a claim for insurance:
- Stock on 1-1-2020 Rs.30,600
Purchase from 1-1-2020 to 31-12-2020 Rs.1,22,000
Sales from 1-1-2020 to 31-12-2020 Rs.1,80,000
Stock on 31-12-2020 Rs.27,000
Purchase from 1-1-2020 to 15-10-2020 Rs.1,47,000
Sales from 1-1-2020 to 15-10-2020 Rs.1,50,000
The stocks were always valued at 90% of cost. The stock saved from fire was worth Rs.18,000. The amount of policy was Rs.63,000. There was an average clause in the policy.

Section C

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

9. Briefly explain any Five Accounting Concepts .
10. Prepare Trading, Profit & Loss Account and Balance sheet from the following Trial Balance.

Balance of Mr.Yash

Debit balance	Rs.	Credit balance	Rs.
Sundry Debtors	92,000	Yash's Capital	70,000
Plant and Machinery	20,000	Purchase returns	2,600
Interest	430	Sales	2,50,000
Rent, Rates, Taxes and Insurance	5,600	Sundry Creditors	60,000
Convenience Charges	1,320	Bank Overdraft	20,000
Wages	7,000		
Sales Returns	5400		
Purchases	1,50,000		
Opening stock	60,000		
Yash's Drawings	22,000		
Trade Expenses	1350		
Salaries	11,200		
Advertisement	840		
Discount	600		
Bad debts	800		
Business Premises	12,000		
Cash in hand	2,060		
Furniture and fixtures	10,000		
	4,02,600		4,02,600

Adjustments:

- a) Stock in Hand on 31.12.1996 Rs.90,000.
 - b) Provide depreciation on premises @2.5% Plant and Machinery @7.5% and furniture and fixtures @ 10%.
 - c) Write off Rs.800 as further bad debts.
 - d) Provide for doubtful debts @ 5% on sundry debtors.
 - e) Outstanding rent was Rs.500 and Outstanding wages Rs.400.
 - f) Prepaid Insurance Rs.300 and Prepaid salaries Rs.700.
11. Rectify the following errors by using suspense account:
 - a) Goods sold to Rama Rs.1,000 were not posted to his account.
 - b) Purchase Book was overcast by Rs.400
 - c) Sales book was under cast by Rs.53
 - d) Purchase return book was undercast by Rs.16
 - e) Cash received from Govind Rs.111 was posted to his account as Rs.1,111
 - f) Cash paid to Raghu Rs.770 was posted to his account as Rs.170
 12. A Second hand machine was purchased on 1.1.90 for Rs.30,000 and repair charges amounted to Rs.6,000. It was installed at a cost of Rs.4,000 on 1st July 1991. Another machine was purchased for Rs.26,000. On 1st July 1992, the first machine was sold for Rs.30,000. On the same day, one more machine was bought for Rs.25,000. On 31st December 1992, the machine bought on 1st July 1991 was sold for Rs.23,000. Accounts are closed every year on 31st December. Depreciation is written off @15% per annum. Prepare the Machinery Account for three years ending 31st December 1992.
 13. From the following particulars, Prepare : (a) Total Debtors account (b) Total Creditors account (c) Bills Receivable account (d) Bills Payable account

On 1 st January 1992	Rs.
Total Debtors	40,000
Total Creditors	15,000
Total Bills Receivable	16,000
Total Bills Payable	6,000

Transactions during the year	Rs.
Cash received from debtors	30,000
Discount allowed to debtors	6,000
Bad debts written off	3,000
Return Inwards	5,000
Cash Sales	16,000
Cash Purchases	7,000
Cash received against B/R	10,000
Cash Paid to suppliers (Including the payments of Rs.1,000 for purchasing Machine)	10,000
Cash paid against B/P	3,000
Discount received from suppliers	600

Return Outwards 1,500 Bills payable dishonoured 600

On 31 st December 1992	Rs.
Total Debtors	70,000
Total Creditors	15,000
Total Bills Receivable	16,000
Total Bills Payable	8,000
