

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.(PA) END SEMESTER EXAMINATIONS NOVEMBER -2023
SEMESTER - I

23UPACT1001 - Financial Accounting

Total Duration : 2 Hrs 30 Mins.

Total Marks : 60

Section B

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

1. Write a note on IND AS 3.
2. On 1st Jan 2023, Jayanthi sold goods to Devi on Credit for Rs.2,000 and drew a bill on Devi for Rs.2,000 for 3 months after date. Devi accepted it on 3rd January 2023 and returned it to Jayanthi. On Maturity, the bill was duly honoured by Devi. Pass Journal Entries in the books of both the parties.
3. Mr.Poonawala keeps his books under the Single Entry System and gives the following information.
Capital as of 31.3.2017 – Rs.60,000
Capital as on 31.3.2018 – Rs.1,00,000
Drawings made during the year Rs.2,000
Additional capital introduced during the year Rs.12,000
Calculate Profit or Loss during the year.
4. Relate the annuity method of charging depreciation with sinking fund method. (Differences)
5. Rectify the following errors and prepare Suspense A/c:
Difference in Trial Balance (Cr.) Rs.412.
Sales Day Book was overcast by Rs.100
General Expenses Rs.18 was posted to that a/c was Rs.80.
Salary paid Rs.1,000 to Manager wrongly Debited to his personal account.
Credit purchases of Rs.500 wrongly credited to Suppliers A/c as Rs.50 only.
6. Find out the amount of salaries to be debited to income and expenditure account for 31.03.2023 from the details given below:

Description	Rs.
Payments made for salaries during 2022-2023	48,000
Outstanding salary as on 31.03.2022	2,000
Outstanding salary as on 31.03.2023	3,200
Prepaid salary as on 31.03.2022	1,200
Prepaid salary as on 31.03.2023	1,600

7. Anjali keeps her books by the Single Entry System. Her position on 1.4.2016 was as follows.
Cash at Bank ₹4,000; Cash in Hand ₹1,000; Stock ₹6,000; Sundry Debtors ₹8,400; Plant and Machinery ₹7,500; Bill Receivable ₹2,600; Creditors ₹3,500; Bills Payable ₹4,000.
On 31.3.2017 her position was as follows; Cash at Bank ₹3,900; Cash in Hand ₹2,000. Stock ₹9,000; Sundry Debtors ₹7,500; Plant and Machinery ₹7,500; Bills Payable ₹2,200; Bills Receivable ₹3,400; Creditors ₹1,500.
During the year Anjali introduced further Capital of ₹1,500 and she spent ₹700 per month for her personal use.
Depreciation Plant and Machinery by 5% p.a. and create Reserve for Doubtful debts @ 5% p.a. on the debtor. Prepare Opening and Closing Statement of Affairs.

Contd...

8. Q Ltd., purchased on 1st January, 2008 a machine for Rs.10,000. On 1.7.08 it again purchased another machine for Rs.5,000. On 1.7.09 the machine purchased on 1.1.2008 was sold for Rs.4,000. On 1.7.2010 a new machine was purchased for Rs.12,000. On the same date the machine purchased on 1.7.2008 was sold for Rs.4,200.
- Depreciation was provided at 10% p.a. on the written down value every year. Find out the profit and/or loss on sale of machineries.

Section C

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

9. Prepare a Trial Balance from the following extracted ledger accounts from Vaishnav Brothers as on 31st March 2023:

Description	Amount
Bank Loan	14,000
Marketable Security	6,500
Bills Payable	1,000
Unearned Revenue	3,500
Sundry Debtors	12,000
Outstanding Salaries	2,500
Prepaid Rent	2,000
Insurance Expenses	7,300
Owner's Investments	95,000
Rent & Rates	400
Accumulated Depreciation	14,000
Accrued Revenue	15,000
Machinery	25,000
Drawings	3,500
Equipments	40,000
Maintenance Expenses	5,000
Miscellaneous Expenses	4,800
Accrued Expenses	1,500
Depreciation Expenses	2,000
Unexpired Insurance	8,500
Vendor's Payables	500

10. Prepare a Trading Account of Rajesh for the year ending on 31st March 2023 from the following Particulars:

Description	Amount
Opening Stock	2,50,000
Closing Stock	4,75,000
Purchases – Cash	3,70,000
Purchases – Credit	8,25,000
Sales – Cash	5,10,000
Sales – Credit	11,50,000
Cost of Goods Sent on Consignment	10,000
Returns to Suppliers	25,000
Returns by Customers	20,000
Goods taken for personal use	21,000
Free samples distributed	4,000
Duty on Purchases	55,000

11. From the following particulars, prepare Income and Expenditure Account of the Central Sports Society for the twelve months from April 2022 (date of incorporation) to March 2023:

Particulars	Received / Paid (Rs.)	Outstanding as on March 31, 2023
Members Subscription	4,600	-
Subscription of other societies	1,400	200
Life Subscription (10 Years)	2,000	-
Gifts received	3,000	-
Interest received	160	-
Committee Expenditure:		
Executive	1,500	200
Planning	1,440	640
Tournament	420	120
Printing, Postage & Stationary	1,140	160
Office Furniture	2,000	-
Investments purchased	3,000	-

12. Sujit a small trader provides you with the following details of his business.

Particulars	1.4.2017	31.3.2018
Cash	2,000	7,000
Debtors	40,000	60,000
Creditors	50,000	80,000
10% Govt. Bonds	-	9,000
Bank Overdraft	70,000	30,000
Motor Van	50,000	70,000
Furniture	15,000	15,000
Stock	70,000	90,000
Bills Receivable	70,000	90,000

Additional information:

- Sujit withdraws ₹5,000 for his personal use, on 1st Oct. 2017.
- He had also withdrawn ₹30,000 for rent of his residential flat.
- Depreciation Furniture by 10% p.a. and writes off ₹1,000 from Motor Van.
- Charge interest on Drawings ₹3,000.
- 10% Govt. Bonds were purchased on 1st Oct. 2017.
- Allow interest on capital at 10% p.a.
- ₹1,000 is written off as bad debts and provides 5% p.a. R.D.D. on Debtors.

Prepare Opening Statement of Affairs, Closing Statement of Affairs, and Statement of Profit or Loss for the year ending 31st March 2018.

13. B. Co. Purchased machinery as follows :

Date of Purchase Cost of Machine (Rs.)

1.4.2006 → 60,000

1.10.2006 → 40,000

1.7.2007 → 20,000

On 1.1.2008 one-third of the machinery which was purchased on 1.4.2006 became obsolete and was sold for Rs.6,000. The machinery was to be depreciated by Fixed Instalment Method at 10% p a. Show how the Machinery Account would appear in the ledger of the Company for the years 2006, 2007 and 2008. Assume that the accounting year of the Company ends on 31st December every year.
