

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.A. Economics - END SEMESTER EXAMINATIONS - NOV'2024

SEMESTER - III

20UECAT3003 - Basic Financial Accounting

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

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

1. List and explain any two accounting conventions.
2. You are provided with the following information for M/s XYZ for the year ended 31st March 2023. Prepare the Trading Account.

- Opening Stock: ₹50,000
- Purchases: ₹4,00,000
- Sales: ₹5,00,000
- Wages: ₹25,000
- Carriage Inward: ₹5,000
- Closing Stock: ₹70,000
- Returns Inward: ₹10,000
- Returns Outward: ₹15,000

Prepare the Trading Account for the year ended 31st March 2023 and find out the Gross Profit.

3. You are provided with the following details about a machine purchased by ABC Ltd. on 1st April 2020:

- Cost of Machine: ₹1,00,000
- Estimated Life: 5 years
- Scrap Value: ₹10,000

Calculate the amount of Depreciation for each year using.

4. From the information given below calculate sales value

Opening debtors	Rs.5,000
Closing debtors	Rs.8,000
Opening bills receivable	Rs.2,000
Closing bills receivable	Rs.1,000
Cash received from debtors	Rs.10,000

(Including cash from bills receivable Rs.2,000)

Contd...

5. M/s XYZ, a sole proprietorship, conducts the following transactions in January 2024:

- i. Started business with cash 2,00,000.
- ii. Bought furniture for 20,000.
- iii. Purchased goods on credit from ABC Ltd., for 50,000.
- iv. Sold goods on cash for 30,000.
- v. Paid rent 5,000.

Pass Journal entries for the above transactions.

6. Given the following details, prepare the Profit and Loss Account for ABC Enterprises for the year ended 31st March 2024.

Particulars	Amount (₹)
Gross Profit (from Trading Account)	1,20,000
Salaries	25,000
Rent	15,000
Depreciation on Machinery	8,000
Discount Allowed	3,000
Commission Received	5,000
Interest on Bank Loan	10,000

Calculate Net Profit/Loss.

7. XYZ Ltd., provides the following data:

- Machinery purchased on 1st April 2020 for ₹10,00,000
- Depreciation is charged using the Written down Value Method (WDV) at 15% per annum.
- In March 2023, the company revalued the machinery at ₹7,00,000.

Calculate depreciation for each year up to 31st March 2023 using the WDV method before revaluation.

8. Mr. A maintains his accounts under the Single Entry System. From the following information find out profit or loss

- Opening Capital: ₹1,00,000
- Closing Capital: ₹1,50,000
- Additional Capital Introduced: ₹20,000
- Drawings during the year: ₹30,000

Section C

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

9. Explain various accounting concepts briefly.

Contd...

10. From the following particulars prepare a bank Reconciliation statement as on 31st March 2022
- Bank balance as on 31st march 2022 as per pass book Rs.15,200.
 - Bank charges debited Rs.130.
 - Cheques issued but not presented to bank for payment Rs.2,000.
 - Cheques deposited into bank not credited in the pass book Rs.7,000.
 - A cheque entered as deposit in the cash book instead of as a payment Rs.220.
 - Rs.364 paid into bank had been entered twice in the cash book.
 - The receipt column of the cashbook has been over cast by Rs.1,000.
 - A cheque drawn for Rs.9 had been incorrectly entered in the cash book as Rs.99.
11. ABC Ltd., provides the following information for the year ending 31st March 2023. You are required to prepare Trading, Profit & Loss Account and Balance Sheet considering adjustments. Also, analyze the financial position of the company based on the final accounts.

Particulars	Amount (₹)
Opening Stock	1,00,000
Purchases	8,00,000
Sales	12,00,000
Wages	1,00,000
Office Rent	50,000
Debtors	1,50,000
Creditors	1,20,000
Bank Loan	2,00,000
Furniture	2,00,000
Cash at Bank	50,000
Closing Stock	1,20,000
Salaries	1,00,000
Interest on Loan	20,000
Commission Received	30,000

Adjustments:

- Depreciation on Furniture: 10%
- Outstanding Wages: ₹15,000
- Prepaid Rent: ₹10,000
- Closing Stock was overvalued by ₹20,000.

Contd...

12. A company Whose accounting year is the calendar year purchased on 1-1-2020 Machine for Rs.40,000. It purchased further machinery on 1st Oct.2020 for Rs 20,000 and on 1st July 2021 for Rs 10,000. On 1-7-2022, 1/4th of the machinery installed on 1-1-2023 became obsolete and was sold Rs.6,800.
Show how the machinery account would appear in the books of the company for all the 3 years under Written Down Value method. Depreciation is to be provided at 10% p.a.
13. M/s XYZ maintains incomplete records. The following information is available:

Particulars	1 st Apr 2023	31 st Mar 2024
Cash in Hand	5,000	8,000
Bank Balance	10,000	12,000
Debtors	15,000	20,000
Stock	18,000	25,000
Creditors	12,000	10,000
Machinery	30,000	28,000

During the year, Mr.XYZ withdrew ₹5,000 for personal use and introduced additional capital of ₹10,000. Prepare Statements of Affairs as of 1st April 2023 and 31st March 2024.
