

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. CA - END SEMESTER EXAMINATIONS - NOV'2024

SEMESTER - I

**21UCCCT1001 - Financial Accounting**

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

**Section B**

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

1. Explain the key differences between Accounting Concepts and Accounting Conventions.
2. Apply the principles of Accounting Standard 10 (AS-10) – Property, Plant, and Equipment to explain how a company should record the depreciation of its assets.
3. The following Trial Balances extracted from the books of Mr.Kumar as on 31.3.2021. Prepare Trading Account

PARTICULARS	AMOUNT
Sales	2,00,000
Purchases	1,50,000
Stock on 1.4.2020	50,000
General Expenses	30,000
Freight Inwards	4,000
Freight Outwards	2,000
Stock on 31.3.2021	64,000
Purchase Returns	20,000
Sales Returns	40,000

4. R & Co. purchased a machinery on 01.12.2021 for Rs.5,70,000. The firm writes off depreciation at 10% on reducing balance method. The books are closed on 31<sup>st</sup> March every year. Prepare Machinery & depreciation account for the first three years.
5. Compute insurance claims from the following facts assuming that the insurers met their liability under the policy on 'average basis'.  
A trader stock valued at Rs.40,000 was totally destroyed. The stock in the godown was insured for Rs.30,000 subject to average clause. The balance of stock, left after fire, appeared in the books at Rs.24,000.
6. Compute the missing information  
Profit made during the year – Rs.2,500  
Capital at the end - Rs.6,000

**Contd...**

Capital introduced during the year – Rs.2,000

Drawings – Rs.1,200

Capital at the beginning – ?

7. From the following Compute Credit Sales:

Opening Sundry Debtors - Rs.50,000

Cash Received From Sundry Debtors – Rs.80,000

Discount Allowed to Sundry debtors – Rs.2,000

Sales Returns – Rs.5,000

Closing Sundry Debtors – Rs.75,000

8. On 1.1.2020 Sheeba purchased machinery on hire purchase system. The payment is to be made Rs.4,000 down (on signing of the contract) and Rs.4,000 annually for three years. The cash price of the machinery is Rs.14,900 and the rate of interest is 5%. Ascertain and calculate the interest in each years instalment.

### Section C

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

9. Apply the principles of AS-3 (Cash Flow Statements) to determine the cash flows from operating, investing, and financing activities for a manufacturing company.
10. The following are the balances extracted from the books of Ganesh as on 31.03.2022. Prepare Trading and Profit & loss account for the year ending 31.03.2022 and a Balance sheet as on that date.

Particulars	Debit	Credit
Drawings	4,000	
Cash at Bank	1,700	
Cash in Hand	6,500	
Wages	1,000	
Purchases	2,000	
Stock 1.4.2021	6,000	
Buildings	10,000	
Sundry Debtors	4,400	
Bills Receivable	2,900	
Rent	450	
Commission	250	
General Expenses	800	
Furniture	500	
Capital		20,000
Sales		16,000
Sundry Creditors		4,500
	40,500	40,500

Contd...

The following adjustments are to be made:

Stock on 31.3.2022 was Rs.4,000

Interest on Capital at 6% to be provided

Interest on Drawings at 5% to be provided

Wages yet to be paid Rs.100.

Rent Prepaid Rs.50.

11. A company purchased machinery on 01.04.2021 for Rs.2,40,000. on 1<sup>st</sup> October 2022, it purchased another machinery for Rs.60,000. On 1<sup>st</sup> October 2023, it sold off the first machine purchased on 01.04.2021 for Rs.1,68,000. On the same date it purchased another machinery for Rs.1,50,000.

Accounts are closed every year on 31<sup>st</sup> march. Depreciation Written off at 10% p.a. on original cost. Evaluate and prepare Machinery account for three years.

12. The books of Mr.Ravi revealed the following information on 1.4.2021

Liabilities	Amt	Assets	Amt
Capital	83,030	Good will	18,540
Sundry creditors	9,010	Furniture	14,010
		Sundry Debtors	46,830
		Cash at bank	12,660
	92,040		92,040

Other Information	Rs.
Cash received from sundry debtors	2,12,460
Drawings	81,600
Salaries paid	18,300
Rent paid	9,450
Cash paid to sundry creditors	90,360
Sundry expenses paid	3,840
Closing stock 31/03/2021	32,000
Sundry debtors 31/03/2021	56,700
Sundry creditors 31/03/2021	16,000
Cash at bank 31/03/2021	21,570

Prepare Trading & Profit & loss Account and a Balance sheet as on 31.3.2021

13. On 1.1.2018, a firm purchased a truck on instalment system. The cash price of the Truck was Rs.11,175 and Payment was to be made as follows:

Rs.3,000 was to be paid on signing of the agreement and the balance in three instalments of Rs.3,000, each at the end of each year. Interest at 5% is charged by the vendor. The firm has decided to write off 10% annually on the diminishing balance of the cash price. Find & calculate the interest using table

\*\*\*\*\*