



I SEMESTER B.Com. EXAMINATION- MARCH / APRIL - 2022

SCHEME: SEMESTER- CBCS

072

FINANCIAL ACCOUNTING - I

Time: 03 Hours

Max Marks: 80

PART - A

Answer any **FOUR** of the following. Each question carries 5 marks: 4x5=20

1. Define Accounting. List out any five objectives of Accounting.
2. Mention any five features of Single Entry System.
3. State any five advantages of keeping Departmental Accounts.
4. Prepare Manufacturing Account with imaginary figures.
5. Briefly explain the causes for depreciation.
6. What is Computerised Accounting? State its any five features.

PART - B

Answer any **TWO** of the following. Each question carries 10 marks: 2x10=20

7. On 1.4.2016, a company purchased Machinery for ₹ 2,00,000. On 30.9.2018, the machinery was destroyed by fire and the Insurance Company compensated ₹ 1,30,000. On the same day, a new machinery was bought for ₹ 1,00,000. On 1.4.2019, another machinery was installed at a cost of ₹ 80,000. The company charges depreciation at 15% p.a under written down value method, on 31st March every year. Show machinery account for four years.
8. From the following information find out amount of credit sales and credit purchase.

		₹
1.4.2019	Sundry Creditors	4,00,000
	Sundry Debtors	8,00,000
	Bills Receivables	60,000
	Bills payable	1,40,000
31.3.2020	Sundry Creditors	7,20,000
	Sundry Debtors	9,80,000
	Bills Receivable	1,80,000
	Bills Payable	1,00,000
	Cash received from customers	1,45,000
	Received from B/R	80,000

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Paid to Sundry Creditors	5,60,000
Bills Payable honoured	1,20,000
Discount allowed to customers	20,000
Discount earned	10,000
Sales Return	60,000
Purchase return	80,000
Bad debts	30,000

9. Prepare a Trial Balance from the following information as on 31.3.2020.

Particulars	₹
Capital	2,80,000
Stock (1.4.2019)	40,000
Motor Car	80,000
Discount (Cr)	4,000
Bad debts	4,000
Sales	4,00,000
Cash at bank	40,000
Returns Inward	20,000
Cash in Hand	6,000
Rent paid	35,000
Discount (Dr)	3,000
Carriage	15,000
Purchase	1,50,000
Plant	1,50,000
Furniture	50,000
Wages	82,000
Creditors	65,000
Salaries	28,000
Commission (Cr)	6,000
Returns outwards	10,000
Debtors	56,000
General Expenses	3,000
Interest Received	2,000
Selling Expenses	5,000

10. State the advantages and disadvantages of computerised accounting.



PART - C

Answer any TWO of the following. Each question carries 15 marks: 2x15=30

11. Explain Accounting concepts and conventions with examples.
12. From the following particulars, you are required to prepare final accounts for the year ended 31.3.2020.

Particulars	In (vertical form)	
	Debit (₹)	Credit (₹)
Drawings & Capital	24,000	5,60,000
Debtors & Creditors	1,13,000	80,000
Purchase & Sales	3,76,000	6,24,000
Returns	20,000	28,000
B/R & B/P	90,000	70,000
Investments @ 5% p.a	1,80,000	-
Loan from bank	-	1,00,000
Wages	22,000	-
Discounts	20,000	18,000
Bad debts	8,000	-
Salaries	36,000	-
Provision for bad debts	-	12,000
Carriage Inward	10,000	-
Insurance	6,000	-
Rent	17,000	-
Opening Stock	90,000	-
Interest from Investment	-	8,000
Land & Building	2,00,000	-
Furniture	30,000	-
Good will	1,40,000	-
Plant & Machinery	70,000	-
Cash at bank	48,000	-
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	15,00,000	15,00,000
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Adjustments:

- 1) Stock on 31.3.2020 ₹ 1,20,000
- 2) Provide for further bad debts ₹ 3,000 & provision for bad debts @ 5%.

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- 3) Goods costing ₹ 8,000 was destroyed by fire on 14.3.2020 and the insurance company admitted the claim for ₹ 7,200.
- 4) Wages O/S ₹ 4,000.
- 5) Depreciate Machinery & Furniture at 10% p.a.

13. Mr. Raj has a small trading business for which he follows the following procedure.

- a) All collections are deposited with the bank each day.
- b) All payments except petty expenses are made by cheques.
- c) To meet petty expenses, a cheque of ₹ 500 is withdrawn from bank on the first day of each month.
- d) Mr. Raj makes personal drawings from the bank.

Following figures are available from Mr. Rajs records.

	1.1.2019 ₹	31.12.2019 ₹
Cash in Hand	320	200
Balance in Bank	2,500	-
Bank overdraft	-	5,000
Debtors	20,000	30,000
Creditors	20,000	30,000
Stock of goods	10,000	30,000
Payments made to creditors During the year	-	20,000
Sales made during the year	-	30,000

Mr. Raj spent during the year ₹ 200 from the office cash for his personal expenses.

Prepare Profit & Loss Account for the year ended 31st December 2019 and Balance Sheet as on that date from the above information.

14. From the following Trial Balance, prepare Departmental Trading & Profit & Loss Account for the year ending 31.3.2020 & a Balance Sheet as on that date.

		Debit (₹)	Credit (₹)
Stock (1.4.2019)	A	52,200	-
	B	44,100	-
Purchases	A	1,05,000	-
	B	90,000	-
Sales	A	-	1,80,000
	B	-	1,20,000
Wages	A	24,600	-
	B	8,100	-
Rent		28,170	-



Trade Expenses	10,800	-
Salaries	9,000	-
Lighting	6,300	-
Discount	6,660	1,950
Advertising	11,040	-
Carriage O/W	7,020	-
Furniture	9,000	-
Machinery	63,000	-
Drs & Crs	18,300	90,450
Capital	-	1,43,100
Bank	30,210	-
Drawings	12,000	-
	5,35,500	5,35,500

Other Information:

- a) Internal transfer of goods from Dept. A to B ₹ 1200.
- b) Rent, Trade expenses, Lighting, Salaries, Carriage, & Advertisement to be apportioned equally to each Department.
- c) Discount allowed & earned to be apportioned based on sales and purchases.
- d) Depreciate furniture & machinery at 10% to be apportioned equally.
- e) Stock on 31.3.2020 were Department A ₹ 52,500 & Department B ₹ 37,500.

PART - D

15. Case Study (Compulsory). Carries 10 marks:

1x10=10

Mr. Ajay being a Sole trader maintains the accounts himself. While preparing the financial statements, he identifies Bad debts of ₹ 5,000 and a provision for bad debts ₹ 2,000 in Trail balance. Further there was an additional bad debts of ₹ 6,000 had occurred after finalising the trail balance. He also wants to create a new provision for bad debts @ 5% on debtors amounting to ₹ 70,000. Help Mr. Ajay in analysing the bad debts while preparing profit and loss account and Balance Sheet.

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