

D.K.M. COLLEGE FOR WOMEN (AUTONOMOUS), V
SEMESTER EXAMINATIONS
NOVEMBER - 2018
FINANCIAL ACCOUNTING

Time : 3 Hours

SECTION – A (10 x 2 = 20)

Answer ALL the questions.

1. What is Accounting?
2. What do you mean by Money Measurement Concept?
3. Define Single Entry System.
4. Pass Journal Entries:
 - (a) Paid Lokesh, the manager his salary Rs.3000
 - (b) Paid Wages to erect a machine Rs.1000
5. Pass Journal Entry – Paid Radha Rs.1980 in full settlement of a debt
6. Calculate the amount of Depreciation :

Cost Rs.1,46,400

Turn-in-value Rs.960

Estimated life 6 years.
7. What are Bad Debts?
8. Find out the profit from the following data

Capital at the beginning of the year	8,00,000
Drawings during the year	1,80,000
Capital at the end of the year	9,00,000
Capital introduced during the year	50,000.
9. Write the Basis of apportionment of the following expenses
 - (a) Lighting
 - (b) Depreciation of Fixed assets
 - (c) Rent & Rates
10. What is a Trail Balance?

SECTION – B (5 x 5 = 25)

Answer any FIVE of the following questions.

11. Prepare Trail Balance from the following information.

11	Administration expenses	7840
12	Cash in hand	1420
13	Bills payable	1000
14	Wages	5980
15	Opening stock	2640
16	Factory expenses	4650

12. Explain the objective of Accounting.

13. Prepare Trading and Profit and Loss Account from the information given below:

Particulars	Rs.	Particulars
Opening stock	2,000	Rent (Factory)
Purchases	20,000	Rent (office)
Wages	3,620	Sales returns
Closing Stock	10,000	Purchase returns
Sales	40,000	General expenses
Carriage on purchases	500	Discount to customers
Carriage on sales	400	Interest from Bank

14. Mohan, a retail merchant commenced his business with a capital of Rs. 10,000. Subsequently on 1.5.2004 he invested further capital of Rs.5000. During the year he has withdrawn Rs.2000 for his personal use. On 31.12.2004, his assets and liabilities are as follows :

	Rs.
Cash in hand	3000
Debtors	4000
Stock	16,000
Furniture	2000
Creditors	5000

Calculate the Profit or Loss made during the year 2004.

15. The following data was obtained from the books of company for the year 2004:

Assets value	60000	40000	30000	10000
Area occupied	150	250	50	50

You are required to allocate and apportion the expenses to each department.

16. From the following details, find out the Net Credit Sales for the year :

Opening balance of Sundry debtors	2,000
Cheque collection during the year	1,800
Cash collection during the year	2,000
B/R received during the year	
Closing balance of Sundry Debtors	2,000
Bad debts written off	
Discount allowed	
Goods returned to customers	
Cheque dishonoured	

17. From the following Particulars, calculate the amount of depreciation on machinery account for three years under straight line method.

Machinery purchased on 01.01.2015	Rs.72,000
Freight charges	Rs. 2,000
Installation charges	Rs. 4,000
Life of the Machine	5 years
Accounting year – Calendar year.	

18. What are the three kinds of Accounts? State the accounting rules.

SECTION – C (3 x 10 = 30)

Answer ALL the questions.

19. (a) The position of a businessman who keeps his books on Single entry system is given below for the years ending 31.12.2006 and 31.12.2007.

	2006	2007
	Rs.	Rs.
Cash in hand	400	480
Cash at bank	6,000	2,500
Stock	6,500	5,000
Debtors	4,000	5,200
Furniture	300	350
Sundry creditors	4,100	3,100

He withdraws Rs.7,500 from business on 02.01.2007 out of which

Dept. B – 1920 units at Rs.22.50 each

Dept. C – 2496 units at Rs.25 each

The rate of gross profit is same in each case. Prepare Dep Profit and Loss account.

20. (a) Journalise the following transactions of M/s Rama & Sons.

2008 Jan 1	Business started with Rs.2,50,000 and cash deposited with
3	Purchased machinery on credit from Ranga
6	Bought Furniture from Ramesh for cash
12	Goods sold to Y
13	Goods returned by Y
15	Goods sold for cash
17	Bought goods for cash
20	Cash received from Y
21	Cash paid to Ramola
25	Cash withdrawn from bank
29	Paid advertisement expenses
30	Bought office stationery for cash
31	Cash withdrawn from bank for personal use of the proprietor
31	Paid salaries
31	Paid Rent

(Or)

(b) MS. Devi purchased a new Machinery on 1st April 2009 for Rs.3,60,000. In 2009, another Machinery was purchased for Rs.1,80,000. On 30th March 2010, first machine was sold for Rs.2,60,000. Rate of depreciation to be 10% under Diminishing balance method. Books are closed on 31st March 2010. Prepare Machinery account for three years.

21. (a) The following is the Trail balance of Ms. Brinda, Prepare Trading account for the year ended 31st December 2013 and the Balance Sheet making the following adjustments.

- Stock on hand on 31st December 2013 was Rs.1,25,600
- Rs.300 were outstanding for wages
- Insurance prepaid amounted to Rs.80
- Commission accrued but not received Rs.250
- Depreciate plant & Machinery by 10%

Particulars	Debit Rs.	Credit Rs.
Capital		1,29,440
Drawings	11,550	
Bills receivable	9,500	
Plant & Machinery	28,800	
Sundry Debtors	62,000	
Return outwards		3,000

Furniture and fittings	8,800	
	5,74,700	5,74,700

(Or)

(b) Explain the concepts and conventions of Accounts.

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