

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. - END SEMESTER EXAMINATIONS - APRIL 2025
SEMESTER - I

20UCOCT1001 - Financial Accounting - I

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

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

1. How do you classify accounting concepts?
2. Find out Average Due date with addition of Grace days,

Due Date	Amount
05.02.1996	6,000
07.04.1996	3,200
15.07.1996	5,700
18.09.1996	7,000

3. A Company acquired a machine on 1.1.2001 at a cost of Rs.30,000 and spent Rs.1,000 on its installation. The Firm writes off depreciation at 10% on the Straight Line Method. The books are closed on 31st December of each year. Show the machinery A/c for 3 years.
4. Define Single Entry and its salient features.
5. The following errors were found in the books of Prabhakar & Sons. Give the necessary entries to correct them:
 - (a) Salary of Rs.1,000 paid to a Mohan due to him has been debited to his personal account.
 - (b) Rs.1,500 paid in cash for a purchase of typewriter was charged to office expenses account.
 - (c) Rs.5,000 paid for furniture purchased has been charged to purchases account.
 - (d) Repairs made were debited to Building Account for Rs.250.
 - (e) An amount of Rs.500 withdrawn by the proprietor for his personal use has been debited to the trade expenses account.
 - (f) Rs.200 received from Shanthy & Co., has been wrongly entered as from Shajahan & Co.
6. R owes S the following sums of money due from him on the dates stated:
 - Rs.300 due on March 9, 2021.

Contd...

- Rs.1,000 due on April 2, 2021.
 - Rs.4,000 due on April 30, 2021.
 - Rs.100 due on June 1, 2021.
 - He wants to make the complete payment on 30-6-21. Calculate interest at 5% p.a. with the help of the Average due date method.
7. A Company acquired a machine on 1.1.98 at a cost of Rs.40,000 and spent Rs.1,000 on its installation. The Firm writes off depreciation at 10% on the diminishing balance (WDV). The books are closed on 31st December of each year. Show the machinery A/c for 3 years.
8. Jagan, a retail merchant, commenced business with a capital of Rs.12,000 on 1.1.99. Subsequently on 1.5.99 he invested further capital of Rs.5,000. During the year, he has withdrawn Rs.2000 for his personal use. On 31.12.99, his assets and liabilities were as follows: -

Particulars	Amount (Rs.)
Cash at Bank	3,000
Debtors	4,000
Stock	16,000
Furniture	2,000
Creditors	5,000

Calculate the profit (or) loss made during the year 1999.

Section C

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

9. Analyse the accounting concepts and conventions with their evaluation.
10. An accountant could not tally the Trial balance. The difference was temporarily placed to suspense account for preparing the final accounts. The following errors were later discovered.
- (i) Commission of Rs.50 paid, was posted twice, once to discount account and once to commission account.
 - (ii) The sales book was under cast by Rs.100.
 - (iii) A sale of Rs.278 to Raja though correctly entered in Sales book, was posted wrongly to his account as Rs.386.
 - (iv) A Purchase from Nataraj of Rs.184, though correctly entered in purchases book, was wrongly debited to his personal account.
 - (v) Discount column of the receipt side of the cash book was wrongly added as Rs.280 instead of Rs.240.
 - (vi) Entertainment expenses Rs.190, though entered in the cash book, were omitted to be posted in the ledger.

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You are required to:

- (i) Pass the necessary rectifying entries.
- (ii) Prepare Suspense Account and
- (ii) State the effect of each of the rectification on the profit.

What would be the correct profit if the profit originally arrived at was Rs.20,000?

11. Mani has accepted the following bills drawn by Sharma:-

Date	Rs.	Month
On 8-3-21	Rs.8,000	for 4 months
On 16-3-21	Rs.10,000	for 3 months
On 7-4-21	Rs.12,000	for 5 months
On 17-5-21	Rs.10,000	for 3 months

He wants to pay all the bills on a single day. Find out this date. Interest is charged at 18% p.a. and Mani wants to save Rs.300 by way of interest. Find out the date on which he has to effect the payment to save interest of Rs.300.

12. A second hand machine was purchased on 1-1-2000 for Rs.30,000 and repair charges amounted to Rs.6,000. It was installed at a cost of Rs.4,000. On 1st July 2001, another machine was purchased for Rs.26,000. On 1st July 2002 the first machine was sold for Rs.30,000. On the same day, one more machine was bought for Rs.25,000. On 31-12-2002, the Machine bought on 1st July 2001 was sold for Rs.23,000. Accounts are closed every year on 31st December. Depreciation is written off at 15% per annum. Prepare the Machinery A/C for 3 years ending 31-12-2002. Calculate depreciation on Straight Line Value method.

13. Ramesh Keeps his books on a single entry basis. Prepare a statement of affairs as on 31.10.1982 and a statement of profit or loss for the period ending 31.10.1982.

Assets & Liabilities	1.11.81 (Rs.)	31.10.82 (Rs.)
Bank Balance	560 (Cr)	350 (Dr)
Cash on Hand	10	50
Debtors	4,500	3,600
Stock	2,700	2,900
Plant	4,000	4,000
Furniture	1,000	1,000

Ramesh had withdrawn Rs.2,000 during the year and had introduced fresh capital of Rs.4,200 on 1.07.1982. A provision of 5% on debtors is necessary. Write off depreciation on plants at 10% and furniture at 15%. Interest on capital is to be allowed at 5%.
