

Roll.No.

20UBHCT1001

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.Honours - END SEMESTER EXAMINATIONS - NOVEMBER 2025
SEMESTER - I**20UBHCT1001 - Financial Accounting - I**

Total Duration : 2 Hrs. 30 Mins.

Total Marks : 60

Section BAnswer any **SIX** questions (6 × 5 = 30 Marks)

- Briefly explain the accounting concepts.
- Prepare trading and profit and loss account from the information given below:

	Rs.		Rs.
Opening stock	3,600	Rent (factory)	400
purchases	18,260	Rent (office)	500
wages	3,620	Sales return	700
Closing stock	4,420	Purchase return	900
Sales	32,000	General expenses	900
Carriage on purchases	500	Discount and customers	360
Carriage on sales	400	Interest from bank	200

- Calculate what amount will be posted to income and expenditure account for stationery from the following data:

	Rs.
Stock of stationery on 1-1-1999	300
Advance paid for stationery on 31-12-1998	20
Amount paid for stationery in 1999	1,080
Stock of stationery on 31-12-1999	50
Creditors for stationery on 31-12-1999	130
Advance paid for stationery on 31-12-1999	30
Creditors for stationery on 1-1-1999	200

- On March 31 1995, the cash book of prabhu showed a bank balance of Rs.4,850. While verifying with pass book the following facts were noted:
 - Cheque sent in for collection before arch 31 1995, and not credited by the bank amounted in all to Rs.845
 - Cheques issued before March 31 1995, but not presented for payment amounted to Rs.885
 - The banker has charged a sum of Rs.100 towards incidental charges and credited interest Rs.250
 - The banker has given a wrong credit for Rs.250
 - Mr. Nathan has paid into bank directly a sum of Rs.300, on March 28 1995, Which has not been entered in the cash book.
 - A cheque for Rs.200 sent for collection and returned unpaid has not been entered in the cash book

Prepare a bank reconciliation statement.

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5. Explain the difference between receipts and payments account and income and expenditure account?
6. Machinery was purchased on 1-1-86 for Rs.40,000. On 30th June 1986, another second hand machine was purchased for Rs.15,000 and Rs.5,000 was spent for repairs. On 30th June 1987 the second machine was sold for Rs.15,000. Prepare machinery account after allowing depreciation of 10% p.a. on the written down value.
7. Prepare Trial Balance from the following:

	Rs		Rs.
Capital	9,000	Rent outstanding	1,000
Plant and machinery	12,000	Opening stock	2,000
Purchase	8,000	Sales return	4,000
Sales	12,000	Investments	14,000
Sundry creditors	8,000	Debtors	12,000
Bank loan	22,000		

8. Rectify the following errors:
- Rs.2,000 paid on account of salary to the cashier Ganesh, stands debited to his personal account.
 - An amount Rs.5,000 withdrawn by the proprietor for his personal use has been debited to trade expenses A/c.
 - Rs.700 received from M.Ravi has been credited to S.Ravi.
 - A purchase of goods from Kali amounting to Rs.600 has been wrongly entered through the sales book.
 - A credit sale of Rs.2,000 Jankiram has been wrongly passed through the purchases book.

Section C

I - Answer any **TWO** questions (2 × 10 = 20 Marks)

9. Journalise the following transactions of M/s Radha & Sons.

2000		Rs.
Jan 1	Business started with Rs.2,50,000 and cash deposited with bank	1,50,000
3	Purchased machinery on credit from Rangan	50,000
6	Bought furniture from Ramesh for cash	25,000
12	Goods sold to Yesodha	22,500
13	Goods returned by Yesodha	2,500
15	Goods sold for cash	50,000
17	Bought goods for cash	25,000
20	Cash received from Yesodha	10,000
21	Cash paid to Ramola	20,000
25	Cash withdraw from bank	50,000
29	Paid advertisement expenses	12,500
30	Bought office stationery for cash	5,000
31	Cash withdrawn from bank for personal use of the proprietor	6,250
31	Paid salaries	15,000
31	Paid rent	2,500

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10. From the following particulars, ascertain the bank balance as per cash book of swamy as at 31st March 1993.
- i. Credit balance as per pass book as on 31-3-93 Rs.2,500
 - ii. Bank charges of Rs.60 had not been entered in the cash book
 - iii. Out of the cheques of Rs.3,500 paid into the bank, a cheque of Rs.1,000 was not yet credited by the banker
 - iv. Out of the cheques issued for Rs.4,500, cheques of Rs.3,800 only were presented for payment.
 - v. A dividend of Rs.400 was collected by the banker directly but not entered in the cash book.
 - vi. A cheque of Rs.600 had been dishonoured prior to 31-3-93, but no entry was made in the cash book.
11. Distinguish between 'Receipts & Payments Account' and 'Income & Expenditure Account'.
12. A company whose accounting year is the calendar year, purchased on 1-1-93 a machine for Rs.40,000. It purchased further machinery on 1st Oct. 1993 for Rs.20,000 and on 1st July 1994 for Rs.10,000. On 1-7-1995, 1/4th of the machinery installed on 1-1-1993 became obsolete and was sold for Rs.6,800.
- Show how the machinery account would appear in the books of the company for all the 3 years under diminishing balance method. Depreciation is to be provided at 10% p.a.

II - Compulsory question (1 × 10 = 10 Marks)

13. From the following Trial balance extracted from the books of kamalnath prepare trading and profit and loss A/c and balance sheet for the year ended 31-12-1996.

Debit balances	Rs.	Credit balance	Rs.
Cash at bank	2,610	Creditors	4,700
Book debts	11,070	Discounts	150
salaries	4,950	Creditors for expenses	400
Carriage inwards	1,450	Returns outwards	2,520
Carriage outwards	1,590	Sales	80,410
Bad debts	1,310	Capital	40,000
Office expenses	5,100		
Purchases	67,350		
Return inwards	1,590		
Furniture & fixtures	1,500		
Stock	14,360		
Insurance	3,300		
Depreciation on property	1,200		
Freehold property	10,800		
	1,28,180		1,28,180

Adjustments:

- i. Make provision for doubtful debts at 5%
- ii. Calculate discount on creditors @2%
- iii. Office expenses include stationery purchased Rs.800

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- iv. Carriage inwards includes carriage paid on purchase of furniture Rs.50
- v. Outstanding salaries Rs.150
- vi. Prepaid insurance Rs.300
- vii. Stock on hands Rs.10,700 (including stationery stocks Rs.200)
