

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. BIM - END SEMESTER EXAMINATIONS - NOVEMBER 2025
SEMESTER - I

25UBBCT1001 - 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 objectives of accounting.
2. A company purchased a plant for Rs.50,000. The useful life of the plant is 10 years and the residual value is Rs.10,000. Find out the rate of depreciation under the Straight line method.
3. The position of a businessman who keeps his books on Single entry was as under on 31.12.90 and 31.12.91.

Particulars	1990 (Rs.)	1991 (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He withdrawn Rs.7,500 from business on 2.1.91 out of which he spent Rs.5,200 for purchase of a motor truck for the business.

Adjustments :

- a. Depreciation on closing balance of furniture and truck at 10%.
- b. Write off Rs.220 as bad debts
- c. 5% Provision for bad and doubtful debts is needed.

Find out the profit or loss for the year.

4. Prepare a statement of claim where a fire occurred at the premises of a trader on 31.5.2024 destroying a part of his goods. His stock at 1.1.2024 was Rs.60,000. The value of stock salvaged was Rs.13,500. The gross profit on sales was 30% and sales amounted to Rs. 1,53,000 from January to date of fire, while the same period the purchases amounted to Rs.1,03,500.
5. Prepare Trading Account of Archana for the year ending 31-12-2016 from the following information.

Particulars	Rs.
Opening Stock	80,000
Purchases	8,60,000
Freight Inward	52,000
Wages	24,000
Sales	14,40,000
Purchase Returns	10,000
Sales Returns	3,16,000
Closing stock	1,00,000
Import duty	30,000

6. Explain the causes of Depreciation.

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7. Mohan, a retailer merchant commenced business with a capital of Rs.12,000 On 1.1.2024. Subsequently on 1.5.2024 he invested further capital of Rs.5,000. During the year, he has withdrawn Rs.2,000 for his personal use. On 31.12.2024, his assets and liabilities are as follows :

Particulars	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 2024.

8. A fire occurred in the premises of X Ltd. On 10.10.2019. All stocks were destroyed except to the extent of Rs.6,200. From the following figures, ascertain the loss of stock suffered by the company:

Particulars	Rs.
Stock on 1.1.2019	40,000
Purchases during 2019	1,45,000
Sales during 2019	2,00,000
Stock on 31.12.2019	25,000
Purchases during 2020 upto the date of fire	1,52,200
Sales during 2020 upto date of fire	1,89,000

Section C

Answer any **THREE** questions (3 × 10 = 30 Marks)

9. Prepare the Ledger account of Hari Prasad of Hyderabad.

Date	Particulars	Rs.
2020 July 1	Commenced business with cash	1,80,000
3	Deposited into Bank	55,000
4	Purchases goods for cash	22,000
5	Bought goods of Suresh	72,000
8	Cash sales	16,200
11	Cash deposited into Bank	23,000
14	Purchased furniture for cash	4,000
16	Sold goods to Vivek	12,700
17	Received cash from Vivek Allowed him discount	12,446 254
18	Paid Suresh Cash Discount allowed by him	12,000 240
20	Paid Wages	1,800
21	Sold goods to Jagan	35,000
22	Paid cash for trade expenses	150
24	Sold goods to Rajan	23,280
25	Received from Jagan Allowed him discount	21,000 525
26	Paid Suresh cash on account	24,000
28	Sold goods for cash	9,000
29	Paid cash for stationery	180
30	Paid cash for miscellaneous expenses	150
31	Bought goods from Sridhar	17,870
31	Withdrew Cash for private expenses	1,480

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10. Prepare Trading, Profit and Loss A/c and Balance Sheet from the following Trial balance of Mr. Madan.

Debit Balances	Rs.	Credit Balances	Rs.
Debtors	92,000	Capital	70,000
Plant	20,000	Purchase Returns	2,600
Interest	430	Sales	2,50,000
Rent	5,600	Creditors	60,000
Conveyance	1,320	Bank Overdraft	20,000
Wages	7,000		
Sales Returns	5,400		
Purchases	1,50,000		
Opening stock	60,000		
Drawings	22,000		
Trade Expenses	1,350		
Salaries	11,200		
Advertising	840		
Discount	600		
Bad debts	800		
Business premises	12,000		
Furniture & fixtures	10,000		
Cash in hand	2,060		
	4,02,600		4,02,600

Adjustments :

- a. Stock in hand on 31.12.2016 Rs.90,000.
- b. Provide depreciation on premises at 2.5%, Plant at 7.5% and furniture & fixtures at 10%.
- c. Write off Rs.800 as further bad debts.
- d. Provide for bad & doubtful debts at 5% on debtors.
- e. Outstanding rent was Rs.500 and outstanding wages Rs.400.
- f. Prepaid insurance Rs.300 and prepaid salaries Rs.700.

11. Machinery account in the books of a company was as follows :

Balance as on 1.1.2016	- Rs. 14,900
Purchase of machinery on 1.7.2016	- Rs. 4,400
Sale of machinery on 1.10.2016	- Rs. 1,000

The original cost of machinery sold Rs.6,000 purchased on 1.7.2013. machinery is being depreciated at 10% p.a. on diminishing balance method. Show the machinery A/c in the books of company for the year 2016. The books are closed on 31st December of every year.

12. Distinguish between Single Entry System & Double Entry System.

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13. A fire occurred in the business premises of R Ltd on 19.07.2007. From the following particulars ascertain the loss of stock and prepare a claim for insurance.

Particulars	Rs.
Stock on 1.1. 2006	36,720
Stock on 31.12.2006	32,400
Sales for 2006	2,16,000
Purchases for 2006	1,46,400
Sales from 1.1.2007 to 19.7.2007	1,80,000
Purchases from 1.1.2007 to 19.7.2007	1,76,400

The stocks were always valued at 90% of cost. The stock saved from fire was worth Rs.21,600. The amount of policy was Rs.75,600. There was an average clause in the policy.
