



ADITYA DEGREE COLLEGES

ANDHRA PRADESH

II SEMESTER-MID-I EXAMINATIONS BCOM -FINANCIAL ACCOUNTING (MAJOR)

Date: 07-03-2025

Max. Marks : 60
Time : 2 Hour

SECTION A

5 X 4 = 20 M

I. Answer any FIVE of the following.

1. Define Book-keeping. Explain the features and objectives of Book-keeping.
2. Explain the need and scope of accounting.
3. Define Accounting. What are the objectives of Accounting.
4. What are Subsidiary Books? Explain their Advantages/Importance/Objectives.
5. Explain the Importance of Cash Book.
6. What are Final Accounts? Explain their features and Objectives.
7. What is Balance Sheet? Explain its objectives.
8. Explain Single Entry and Double Entry System

SECTION B

4X10 = 40 M

II. Answer the following questions.

- 9.(a) Explain the Difference between Book-Keeping and Accounting.

(or)

- (b) What is Trading Account? Explain its features, Objectives and advantages.

- 10.(a) What are the principles of Accounting? (or) Explain the Accounting Concepts and Conventions.

(or)

- (b) Enter the following transactions in a three column cash book.

2021		Rs.
April 1	Cash in hand	730
	Balance at bank	9,200
3	Received cheque from indra with discount Rs. 32	868
5	Paid for advertising by cheque	300
6	Cash sales	500
8	Paid Salaries	650
9	Amount with drawn from Bank for office use	800
12	Drawn cash for personal use	400

14	Issued cheque in favour of JK Rao discount received Rs.50	790
18	Received cheque from Dinesh and discount allowed Rs.26	986
20	Sale of machinery and received cheque	4,000
24	New Machinery purchased and issued cheque	20,000
30	Bank charges as per pass book	150

11.(a) Define Double entry system? Explain the Characteristics and objectives of Double Entry System.

(or)

(b) Prepare subsidiary books for the following transactions.

2020

- Jan 2 Goods purchased from Ramesh Rs.60,000
- 5 Sold goods to Suresh Rs.40,0000
- 7 Sold goods by Mahesh to us Rs.25,000
- 9 Goods purchased from Harish Rs.12,000
- 11 Sold goods to Avinash Rs.27,500
- 15 Goods returned to Ramesh Rs.5,000
- 17 Goods returned from suresh Rs. 10,000
- 20 Sold goods to Kamal Rs. 33,000
- 25 Goods returned from kamal Rs. 3,000
- 30 Goods returned to Harish Rs. 2,000
- 31 Goods purchased from Ramesh Rs. 5,000

12. (a) What do you understand by subsidiary books? What are the types of Subsidiary books?

(or)

(b) From the following Trail Balance of Shri Chandrasekhar, prepare Trading and Profit and Loss Account for the year ended 31st March, 2021, and Balance Sheet as on that Date after taking into account the adjustments given at the bottom of the trail balnace.

Debit Balance	Debit	Credit Balance	Credit
Chandrasekhar's Drawings	4,500	Chandrasekhar's Capital	24,000
Purchases	20,000	Sales	30,500
Returns Inwards	1,500	Discounts	1,900
Stock (1-4-2020)	8,000	Sundry Creditors	10,000
Salary	4,200	Bills Payable	2,500
Wages	1,200		
Rent	350		
Bad debts	400		
Discounts	700		
Sundry Debtors	14,000		
Cash in hand	260		
Cash at Bank	5,940		
Insurance	400		
Trade Expenses	300		
Printing	150		
Furniture	2,000		
Machinery	5,000		
	68,900		68,900

Adjustments:

- Closing Stock was valued at Rs.7,000
- Insurance was prepared to the extent of Rs.60
- Outstanding Liabilities were: Salary Rs.200 and Wages Rs.200
- Make provision for doubtful debts at 5% on sundry debtors.
- Calculate Interest on capital at 5 % p.a
- Depreciate Machinery at 5% and furniture at 10%
- Reserve for discount on creditors at 1%