

OR iii. Explain any four adjustments and showing their effects on final account with suitable examples. 7

Q.5 i. Explain the objectives of charging depreciation? 4
 ii. From the following particulars you are required to ascertain the Bank balance as would appear in the pass book as on 31st December, 2018. 6

- (a) The bank column of Cash Book showed an overdraft of Rs.3, 570 on 31st Dec, 2018
- (b) Interest on overdraft for six months ending on 31st Dec, 2009, Rs.280 is debited in the pass book but is not entered in the cash book.
- (c) Bank charges for the above period also debited in the pass book amount to Rs.28.
- (d) Cheques issued but not cashed prior to 31st Dec, 2018 amounted to Rs.650.
- (e) Cheques for Rs.630 deposited into bank but not cleared and credited before 31st Dec, 2018.
- (f) Interest on invested collected by the bank and credited in the book amounted to Rs.182.

OR iii. Xyz & co purchased a machine on 1st January 2005 for 9,250 and immediately spent 750 on its erection. On 1st July 2006, it purchased another machine for 2500 and on 1st July 2007, it sold off its first machine purchased in 2005 for 7,000 and on same date it purchased another machine for 6,250. On 1st July 2008 the second machine purchased for 2,500 was sold off for 500. Depreciation was provided on the machinery on written down value basis at 10% p.a. Give the machinery account for four years commencing from January 1st 2005. Calculations are to be made to the nearest rupee. Accounts are closed on 31st December every year. 6

Q.6 Attempt any two:

- i. What is mean by Computerized Accounting? Also write any four advantages of Computerized Accounting. 5
- ii. Write any five disadvantages of computerized Accounting. 5
- iii. Explain any five differences between computerized accounting and manual accounting. 5



Faculty of Commerce / Management Studies

End Sem (Odd) Examination Dec-2019

CM3CO03 Financial Accounting-I /

MS3CO03 Financial Accounting

Programme: B.Com.(Hons) / Branch/Specialisation: Commerce/
 BBA Management / DM

Duration: 3 Hrs.

Maximum Marks: 60

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

- Q.1 i. The proprietor of the business is treated as creditor for the capital introduced by him due to _____ concept. 1
 (a) Money measurement (b) Dual aspect
 (c) Entity (d) Cost
- ii. The policy of anticipate no profit and provide provision for all possible losses arise due to the concept of: 1
 (a) Consistency (b) Disclosure
 (c) Conservatism (d) Matching
- iii. Capital A/c is a _____ A/c. 1
 (a) Personal (b) Real (c) Nominal (d) None of these
- iv. Mr. X is a dealer in electronic goods (refrigerator, washing machine, air conditioners, televisions, etc.) He purchased two air conditioners and installed in his showroom. In the books of X the cost two air conditioners will be debited to 1
 (a) Drawing account (b) Capital Account
 (c) Fixed assets (d) Purchases account
- v. P & L Account shows: 1
 (a) Financial Position
 (b) Capital Invested
 (c) Profit Earned or loss suffered
 (d) None of these
- vi. If wages paid for construction of building are debited to salary account. It is error of..... 1
 (a) Commission (b) Omission
 (c) Principle (d) Compensation

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- vii. A bank Reconciliation account is prepared by _____ **1**
 (a) Bank (b) Customer of the bank
 (c) Creditors (d) Auditors
- viii. Which among the following is not a reason for depreciation? **1**
 (a) Usage of Assets (b) Passage of Time
 (c) Obsolescence (d) Repair of Assets
- ix. Which is not the advantage of Computer Accounting System? **1**
 (a) Low Cost (b) Accurate (c) Unsecure (d) Updating
- x. From which button you can rectify the voucher entry? **1**
 (a) New (b) Edit (c) Delete (d) None of these

- Q.2 i. What is the meaning of Financial Accounting? **2**
 ii. Describe any three accounting concepts with suitable examples? **3**
 iii. Prepare accounting equation from the following: **5**
 (a) Kunal started business with cash Rs.2,50,000
 (b) Purchased furniture for cash Rs. 35,000
 (c) Paid commission Rs.2,000
 (d) Purchased goods on credit Rs. 40,000
 (e) Sold goods (costing Rs. 20,000) for Rs. 26,000
- OR iv. Write any five objectives of Financial Accounting? **5**

- Q.3 i. Write the three golden rules of accounting? **3**
 ii. Prepare a three column cash book to record following transactions: **7**

2009	
Jan.1	Opening balance: Cash Rs.30,000; Bank Rs.20,000;
Jan.4	Cash sales Rs.5,500
Jan.10	Cash purchase Rs.4,000
Jan.15	Salaries paid Rs.8,000
Jan.20	Rent paid by cheque Rs.5,000
Jan.25	Paid Z & Co. by cheque Rs.4,500 & discount received Rs.500
Jan.28	Received from Royal Brothers by cheque Rs.8,500 and allowed him Rs.150 cash discount

- OR iii. Prepare Journal from the transaction given below: **7**

		Rs.
(a)	Machine purchased	500
(b)	Goods given as charity	2,000
(c)	Interest given	4,900

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(d)	Received from debtors	1,200
(e)	Goods destroyed by fire	2,000
(f)	Rent paid	1,000
(g)	Interest received	900

- Q.4 i. What do you mean by final account? Give any two objectives of preparing it. **3**
 ii. Below is given the Trial Balance of Shri Ghanshyam Das & Brothers in respect of the year ending 31st march, 2016. Prepare his Trading and Profit & Loss Account for the year 2015-2016 and his Balance Sheet as at that date: **7**

Particulars	Debit Rs.	Particulars	Credit Rs.
Stock (1 st April 2015)	16,000	Sales	1,30,000
Purchases	90,000	Purchases Return	800
Carriage Inward	1,250	Discount	400
Sales Returns	600	Commission	750
Insurance	1,500	Provision for Bad Debts	400
Trade Expenses	3,600	Capital	32,000
Salaries	8,200	Bank Loan	4,400
Bad Debts	300	Creditors	11,600
Debtors	17,000	Bills Payable	2,000
Building	24,000		
Machinery	10,000		
Drawings	4,000		
Bills Receivable	4,500		
Cash	1,400		
	1,82,350		1,82,350

Adjustments:

- (a) Closing stock on 31st March 2016 was 12,000.
 (b) Interest at the rate of 5% p.a. was to be allowed on capital.
 (c) 800 are outstanding for salaries.
 (d) Insurance prepaid 150.
 (e) Depreciation is to be written-off on buildings at 2% and on machinery at 10%.
 (f) Provision of 5% for Bad and Doubtful debts.
 (g) Commission earned but not received 200.

P.T.O.

Marking Scheme
CM3CO03 Financial Accounting-I / MS3CO03 Financial Accounting

Q.1	i.	The proprietor of the business is treated as creditor for the capital introduced by him due to_____ concept. (c) Entity	1
	ii.	The policy of anticipate no profit and provide provision for all possible losses arise due to the concept of: (c) Conservatism	1
	iii.	Capital A/c is a _____ A/c. (a) Personal	1
	iv.	Mr. X is a dealer in electronic goods (refrigerator, washing machine, air conditioners, televisions, etc.) He purchased two air conditioners and installed in his showroom. In the books of X the cost two air conditioners will be debited to (c) Fixed assets	1
	v.	P & L Account shows: (c) Profit Earned or loss suffered	1
	vi.	If wages paid for construction of building are debited to salary account. It is error of..... (c) Principle	1
	vii.	A bank Reconciliation account is prepared by _____ (b) Customer of the bank	1
	viii.	Which among the following is not a reason for depreciation? (d) Repair of Assets	1
	ix.	Which is not the advantage of Computer Accounting System? (c) Unsecure	1
	x.	From which button you can rectify the voucher entry? (b) Edit	1
Q.2	i.	Meaning Definition	1 mark 1 mark 2
	ii.	Accounting Concepts (1 mark for each concept)	3
	iii.	Accounting Equation- (1 mark for each correct point)	5
OR	iv.	Five objectives (1 mark for each objective)	5
Q.3	i.	Rules of accounting (1 marks for each rule)	3
	ii.	Prepare a three column cash book to record: (1 marks for each correct point)	7
OR	iii.	Prepare Journal (1 marks for each correct point)	7
Q.4	i.	Two objectives Meaning of final A/c	2 marks 1 mark 3

	ii.	Prepare his Trading A/c Profit & Loss A/c Balance Sheets	1 mark 4 marks 2 marks 7
OR	iii.	Four adjustments and showing their effects on final account (4*1.5 marks) With suitable examples.	1 mark 4
Q.5	i.	Explain the objectives of charging depreciation (1 mark * 4)	4
	ii.	From the following particulars you are required to ascertain the Bank balance as would appear in the pass book as on 31st December, 2018. (1 mark for each correct point)	6
OR	iii.	Calculations are to be made to the nearest rupee. Accounts are closed on 31st December every year. (1.5 marks for each year)	6
Q.6		Attempt any two:	
	i.	Meaning Advantages of computerized Accounting (1 mark for each advantages)	1 mark 5
	ii.	Disadvantages of computerized Accounting. (1 mark for each disadvantages)	5
	iii.	Five differences (1 mark * 5)	5
