

[4]

- Q.5 i. Differentiate between SLM & WDV method of depreciation? **4**
- ii. On 1-1-2012 machinery was purchased for Rs 60,000. On 1-1- 2013 additions were made to the amount of Rs 40,000. On 31-3- 2014 machinery purchased on 1-1- 2012 was sold for Rs 35,000 and on 30-6- 2014 machine purchased on 1-1- 2013 costing Rs 20,000 was sold for Rs 16,700.. Depreciation was provided at 10% per annum on diminishing balance method. Show the machinery account for the three years.(year ended on 31 December) **6**
- OR iii. Bank Balance as per cash book as on 30 June, 2012 Rs.1,10,000. Prepare a Bank Reconciliation statement as on 30 June ,2012 from the information given below: **6**
- (a) Cheques issued on 20 June 2012 but not yet presented 16,000
 (b) Cheque deposited but not yet credited by the bank 20,750
 (c) Interest debited by the bank on 27 June 2012 but no advice received 2,000
 (d) Amount wrongly debited by the bank 2,400
 (e) Amount wrongly credited by the bank 5,000
 (f) Directly deposited by customer 2000
- Q.6 Attempt any two: **5**
- i. Explain computerised accounting system & there main features **5**
- ii. What are the advantages of computerised accounting system? Explain any five in detail. **5**
- iii. Explain the steps: **5**
- (a) To create an organisation
 (b) To create stock groups in TALLY.

Total No. of Questions: 6

Total No. of Printed Pages:4

Enrollment No.....



Faculty of Commerce / Management

End Sem (Odd) Examination Dec-2017

CM3CO03 Financial Accounting-I /

MS3CO03 Financial Accounting

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

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. Which of the following is an example of business liability? **1**
- (a) Building (b) Land (c) Bank overdraft (d) Cash
- ii. ----- is not an example of intangible assets? **1**
- (a) Franchise rights (b) Patents
 (c) Goodwill (d) Bills receivables
- iii. A business has assets of Rs.45.650.and liabilities of Rs.10.000,capital is **1**
- (a) Rs.35650 (b) Rs.25650 (c) Rs.15650 (d) None of these
- iv. As per which concept even the proprietor of business is treated as creditor of business **1**
- (a) Going concern concept (b) Cost concept
 (c) Business entity concept (d) Accounting period concept
- v. Closing stock is valued at: **1**
- (a) Cost price (b) Market price
 (c) Cost or market Price whichever is lower (d) None of these
- vi. Under the Straight line method depreciation is: **1**
- (a) Increases every year (b) Decreases every year
 (c) Constant (d) None of these
- vii. Under the diminishing balance method depreciation is: **1**
- (a) Increases every year (b) Decreases every year
 (c) Constant (d) None of these

P.T.O.

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- viii. A Bank reconciliation statement is : **1**
 (a) A part of Cash Book (b) A statement prepared by the bank
 (c) A part of Pass (d) A statement prepared by a customer
- ix. The short key for company creation is **1**
 (a) Ctrl+f2 (b) Alt+f2 (c) Alt+f3 (d) Ctrl+f3
- x. ERP stands for **1**
 (a) Enterprise resource planning (b) Economic resource planning
 (c) Efficient resource planning (d) Economic resource processing
- Q.2 i. What are the limitation of accounting Explain Any four. **4**
 ii. Explain any six accounting concepts in detail? **6**
- OR iii. From the given information Prepare the A/C equation that shows the effect of the following in, Assets Liabilities & Capital. **6**
 (a) Started business with Cash Rs.1,80,000
 (b) Purchased goods for cash Rs.40,000
 (c) Purchased goods for credit Rs.30,000
 (d) Sales goods for cash worth Rs.50000 costing Rs.46000
 (e) Bought furniture on credit Rs.20000
 (f) Cash withdraw for personal use Rs.30000
- Q.3 i. What are the various type of cash book Explain briefly **4**
 ii. Prepare trial balance from the following information in the books of Rajesh: **6**
 Capital 66,000, Cash 2400, Commission (Dr.) 500, Purchase 23,800, Bank 5100, Drawings 1240, Discounts(Dr.) 250, Salaries 3710, Furniture 2200, Wages 9720, Sales 60,960, Rent 2520, Debtors 27,040, Sundry expenses 4120, Creditors 8840, Machinery 46600, Advertisement 600, Opening Stock 6000.
- OR iii. Journalise the following transactions in the books of M/S Radha & Sons. **6**
 (a) Commence business with cash 80,000. 1 JAN
 (b) Purchase goods in cash 22,000. 4 Jan
 (c) Purchase furniture from Sudesh 10,000. 12 Jan
 (d) Deposited in bank 5000. 16 Jan
 (e) Purchase goods from Ramesh and paid by cheque 9,000. 20 Jan
 (f) Sold goods to Sharma brothers 15,000 allow 5% trade discount and 10% cash discount. Receive 60 % of the total amount. 25 Jan.

[3]

- Q.4 i. Explain errors of omission & Compensating errors? **4**
 ii. From the following Trail Balance of Shri Akash, Prepare Trading A/c, Profit and Loss A/c and Balance Sheet as on December 31st 2016. **6**

Particulars	Amount	Particulars	Amount
Stock on 1 Jan 16	26000	Sales	130000
Purchase	80000	Purchase return	800
Freight on purchase	1250	Discount Received	400
Sales return	600	Commission Received	750
Insurance & Taxes	1500	Provision for Bad Debts	400
Selling expenses	3600	Capital	32000
Salaries	8200	Bank Loan	4000
Bad Debts	300	Sundry Creditors	11000
Sundry debtors	17000	Bills Payable	3000
Building	24000		
Machinery	10000		
Drawing	4000		
Bills Receivable	4500		
Cash in Hand	1400		
	182350		182350

Adjustments:

- (a) Closing stock on 31st Dec 2016 was Rs. 22050.
 (b) Insurance prepaid Rs.250.
 (c) Rs.800 is outstanding salaries.
 (d) Create a provision of 5% for bad and doubtful debts.
- OR iii. Rectify the following errors. **6**
 (a) Machine purchased for Rs. 25,000 was posted to Purchases A/c.
 (b) A payment of Rs.5,000 received from Ram has been omitted.
 (c) Return inward book under cast by Rs.2000.
 (d) Purchase return worth Rs.5000 not recorded in the books.
 (e) Goods sold to Ashok For Rs.575 Entered Rs.755.
 (f) Cheque received from X credited to Y Account.

P.T.O.

12/12/17

C M3 CO03 financial A/c-I / M3 CO03 financial Acc

Dec. 2017 B.com Hons / BBA

Scheme of marking

- Q. 1
- (i) (C) Bank overdraft
 - (ii) (D) Bills Receivables
 - (iii) (A) 35650
 - (iv) (C) Business entity concept
 - (v) (C) Cost or market Price whichever is lower
 - (vi) (C) constant
 - (vii) (B) Decrease every year
 - (viii) (D) A statement prepared by a customer
 - (ix) (C) $A_t + F_3$
 - (x) (A) Enterprise Resource Planning

Q 2 (i) Each limitation one marks

(1) Each A/c concept one marks

(ii) Each transaction one marks

Accounting Equation

Assets

Liabilities

Cash + Stock + Debtors = Capital + Creditors

(1) $180000 + 0 + 0 = 1,80,000 + 0$

(2) $140000 + 40000 + 0 = 180000 + 0$

(3) $140000 + 70000 + 0 = 180000 + 30000$

(4) $190000 + 24000 + 0 = 184000 + 30000$

(5) $190000 + 24000 + 20000 = 184000 + 50000$

(6) $160000 + 24000 + 20000 = 154000 + 50000$

$204000 = 2,04,000$

Q. 3(i) form type of cash book each type 1 marks
3(ii) 6 marks

Trial Balance book of Rakesh

Cash	2400	Capital	66000
Commission (Ar)	500	Sales	60960
Purchase	23800	Creditors	8840
Bank	5100		
Drawings	1240		
Discount (Dr)	250		
Salaries	3710		
Furniture	2200		
Wages	3720		
Rent	2520		
Debtors	27040		
Sundry exp.	4120		
Machinery	46600		
Advances	600		
Opening stock	6000		
	135800		135800

Q. 3(iii) Each entry with Narration 1 marks

Date	Particulars		Amnt.	Amnt.
1 Jan.	Cash A/c Dr To Capital		80000	— 80000
4 Jan.	Purchase A/c Dr To Cash		22000	— 22000
12 Jan.	Furniture A/c Dr To Sudeesh		10000	— 10000
16 Jan.	Bank A/c Dr To cash		5000	— 5000

20 Jan	Purchase A/c	Dr	9000	—
	TO Bank		—	9000
25 Jan	Sharing Brothers	Dr	5700	—
	Carh A/c	Dr	855	—
	Carh Dis.	Dr	7695	—
	TO sales		—	14250

Q. 4 (i) Exam of admission 2 marks
Exam of compensating 2 marks

Q. 4 (ii) Trading & P&L A/c = 2 marks
Balance sheet = 2 marks
Four Adjustments (each adjustment) = 0.5 marks each
Trading & Profit & Loss A/c 31-12-16

Particulars	Amount	Particulars	Amount
TO opening Stock	26000	By Sales 1,30,000	
TO Purchase 80000		Inv. Retn. 600	129400
Inv Retn 800	79200	By Cl. Stock	22050
TO freight on purchase	1250		
TO Gross Profit	115000		
	151450		151450
TO Inv. & Tax (1500 - 250)	1250	By h.p.	45000
TO selling exp.	3600	By Dis. Received	400
TO Salaries (8200 + 800)	9000	By commission received	750
TO Bad debts	300	By prov. for Bad debts	400
TO Provision for bad & doubtful debts	850		
TO Net Profit	31550		
	46550		46550

Balance sheet 31-12-2016

Liabilities	Amnt.	Assets	Amnt.
Capital 32000		Building	24000
Drawing (-) 4000		Machinery	10000
Net Profit (+) 31550	59550	Bills Receivable	4500
Bank Loan	4000	Debtors 17000	
Creditors	11000	Inv. Return 850	16150
Bills payable	3000	Cl. Stock	22050
Out. Salary	800	Cash	1400
	78350	Prop. Inv.	250
			78350

4 (5K) Each transaction with 1 marking each transaction

(1)	Machine A/c	Dr.	25000	—
	To Purchase acc		—	25000
(2)	Supplier A/c	Dr.	5000	—
	To Ram acc		—	5000
(3)	Sales return acc / Return acc	Dr.	2000	—
	To Suppliers A/c		—	2000
(4)	Supplier A/c	Dr.	5000	—
	To Purchase Return		—	5000
(5)	Sales A/c	Dr.	180	—
	To Ashok		—	180
(6)	X A/c	Dr.	—	—
	To X A/c		—	—

Q. 5(i) each point 1 marks

5(i) Machinery A/c

Date	Particulars	Amnt	Date	Particulars	Amnt
1-1-2012	TO Bank (a)	60000	31-12-12	By Dep	6000
			—	By bal. old	54000
		60000			60000
1-1-2013	TO balance b/d	54000	31-12-13	By Dep. (a)	5400
		40000		(b)	4000
1-1-2013	TO bank (b)		—	By bal. old (a)	48600
				(b)	36000
		94000			94000
1-1-2014	TO bal. b/d (a)	48600	31-3-14	By Dep (a) 1215	1215
	(b)	36000		machine sold on 31-3-14 for 3 months	35000
				By Bank	12385
				By P&L (Loss)	900
			30-6-14	By Dep (b)	16700
				By bank	2100
				By P&L (Loss)	1800
			31-3-14	By Dep. (p)	16200
				By bal. old	84600
		84600			84600

Machinery A/c 2012 = 1.5 marks

2013 = 1.5 marks

2014 = 3 marks

Q. 5 (ii)

Bank Reconciliation Statement.

Each Point 1 marks

As on 30 June 2012

Bal. as per cash book Dr. 1,10,000

Add cheque issued but not cleared 16000

~~That~~ wrongly credited by the bank 5000

Directly deposited by customer 2000 23000

Less cheque deposited but not credited 20750

Int. debited by bank but no advice 2000

Int. debited by bank but ^{cleared} 2400

Bal. as per pass book Cr. 25150

107850

Q. 6 (i) Computer AIC System, 2.5 marks feature 2.5 marks

(ii) Each Advantage 1 mark

(iii) (a) = 2.5 marks (b) 2.5 marks

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