Reg.No. \_\_\_\_\_\_\_\_\_\_\_\_

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**End Semester Examination – Nov / Dec – 2018**

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| **Code :** | **17BB2006** | **Duration :** | **3hrs** |
| **Sub. Name :** | **FINANCIAL ACCOUNTING** | **Max. marks :** | **100** |

**ANSWER ALL QUESTIONS (5 x 20 = 100 Marks)**

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| --- | --- | --- | --- | --- |
| **Q. No.** | **Sub Div.** | **Questions** | **Course**  **Outcome** | **Marks** |
| 1. |  | Explain the Concepts and Conventions that are used in accounting. | CO1 | 20 |
| (OR) | | | | |
| 2. |  | Differentiate   1. Trade Discount and Cash Discount. 2. Revenue Expenditure Vs Capital Expenditure. | CO1 | 10  10 |
|  |  |  |  |  |
| 3. |  | The following are the balances extracted from the books of Mr. Thomas & Co. Prepare Trial Balance as on 31st December 2017  Capital xxxxxx Cash in hand 300  Buildings 15000 Cash at bank 4700  Machinery 10000 Salaries 14000  Motor Car 8000 Rent 4000  Furniture 1000 Commission 1400  Opening Stock 16000 Rents & taxes 600  Purchases 74000 Bad Debts 200  Purchase Returns 1000 Insurance 400  Sales 140000 Discount earned 500  Sales returns 500 Discount allowed 700  Debtors 15000 General expenses 800  Creditors 4800 Reserve for bad debts 300 | CO4 | 20 |
| (OR) | | | | |
| 4. |  | What is a Trial Balance? What are its objectives ? Explain the principle on which the agreement of a trial balance is based | CO1 | 20 |
|  |  |  |  |  |
| 5. |  | Why Provision for Bad debts is to be created? Explain the convention that forms its basis? Illustrate your answer on the following   1. When Provision for bad debts is not given in Trial balance. 2. When Provision is given in Trial Balance. | CO4 | 20 |
| (OR) | | | | |
| 6. |  | From the following particulars supplied by Mr. Benjamin, prepare a Bank Reconciliation Statement as on 30th Sept 2017.  a) Bank balance as per Pass Book Rs. 1000 (Dr)  b) Bank Paid Rs.500 as application money on share but no entry made in cash book  c) Cheques deposited Rs.2000 of which cheques worth Rs. 400 Was credited after 30th Sept 2017  d) Cheque issues for Rs.3000 but only Cheques worth Rs.2000 was presented for payment.  e) Cheques deposited for Rs.1000 but no entry in cash book, was subsequently credited in pass book by 30th Sept 2017  f) Bank collected dividend of Rs. 200 from the UTI  g) Of the Cheques issued Rs.600 worth of cheque was dishonoured and not entered in the cash book. | CO5 | 20 |
|  |  |  |  |  |
| 7. |  | Explain Errors and its rectification mechanism. | CO2 | 20 |
| (OR) | | | | |
| 8. |  | Explain Depreciation and its methods. Illustrate your answer. | CO5 | 20 |
|  | |  |  |  |
|  | | **Compulsory**: |  |  |
| 9. |  | From the following Trial balance, prepare the Trading and profit and loss account for the year ended December 31, 2017 and a Balance Sheet as on that date.  Trial Balance as on December 31, 2017   |  |  |  | | --- | --- | --- | | **Particulars** | **Debit** | **Credit** | | Capital |  | 40000 | | Sales |  | 25000 | | Purchases | 15000 |  | | Salaries | 2000 |  | | Rent | 1500 |  | | Insurance | 300 |  | | Drawings | 5000 |  | | Machinery | 28000 |  | | Bank | 4500 |  | | Cash | 2000 |  | | Stock | 5200 |  | | Debtors | 2500 |  | | Creidtors |  | 1000 | | **Total** | **66000** | **66000** | |  |  |  |   Adjustments:   1. Stock on hand at closing Rs. 4900 at cost price and Rs. 5900 market price. 2. Salaries outstanding Rs.300. 3. Rent Paid in advance Rs. 200. 4. Insurance Paid in advance RS.90. 5. Depreciate Machinery by 10 per cent. 6. During December, the owner took goods worth Rs.100 for his personal use.   Give adjusting and closing entries. | CO4 | 20 |