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

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

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| **Code :** | **18PA2001** | **Duration :** | **3hrs** |
| **Sub. Name :** | **FINANCIAL ACCOUNTING-I** | **Max. marks :** | **100** |

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

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| **Q. No.** | **Sub Div.** | **Questions** | **Course**  **Outcome** | **Marks** |
| 1. |  | Briefly discuss the requirements of IFRS. What is the rationale of convergence of Indian Accounting standards with IFRS? | CO2 | 20 |
| (OR) | | | | |
| 2. |  | Identify the various users -both internal and external-who are interested in the financial information. What kind of information do you think these users would need? | CO1 | 20 |
|  |  |  |  |  |
| 3. |  | Prepare Trial Balance as on 31.03.2012 from the following balances of M/s Afzal Pvt Ltd  Drawings Rs. 74,800  Purchases Rs. 295,700  Stock (1.04.2011) Rs. 30,000  Bills receivable Rs. 52,500  Capital Rs. 250,000  Furniture Rs. 33,000  Discount allowed Rs. 950  Sales Rs. 335,350  Rent Rs. 72,500  Freight Rs. 3,500  Printing charges Rs. 1,500   Sundry Creditors Rs.75,000  Insurance Rs. 2,700   Sundry Expenses Rs. 21,000  Discount received Rs. 1,000  Bank loan Rs. 120,000  Stock (31.03.2012) Rs. 17,000   Income tax Rs. 9,500  Machinery Rs. 215,400   Bills payable Rs. 31,700 | CO3 | 20 |
| (OR) | | | | |
| 4. | a. | Classify the following accounts as real, personal or nominal Bank a/c, Furniture a/c, Salary A/c, Cash A/c, Rent outstanding, Bank OD, Sales, Accounts receivable, Creditors and Capital a/c | CO1 | 10 |
| b. | Analyse the following transactions and pass the necessary journal entries:   1. 1st Oct 2010: Goods sold on credit to SM & Sons for Rs.12,50,000 2. 1st Dec 2010: Payment received from SM & Sons by Cheque Rs. 5,00,000 3. 15th Jan 2011: SM & Sons declared insolvent; it was decided to write off the balance amount due 4. 1 June 2011: Payment received from Official Liquidator in full settlement Rs.3,00,000 | CO1 | 10 |
|  |  |  |  |  |
| 5. |  | Enter the following transactions in the triple columnar cash book of M/s Niagra Enterprises.   |  |  |  | | --- | --- | --- | | 2017  Jan 1 | Cash balance  Bank balance | Rs.1200  Rs. 7200 | | 4 | Sold goods for cash | Rs.5000 | | 8 | Paid into bank | Rs.4500 | | 10 | Paid Raman by Cheque | Rs.3000 | | 11 | Bought Office equipment  Less 5% trade discount and paid by cheque | Rs. 800 | | 18 | Received from a customer who was allowed a discount of Rs.20 | Rs.3000 | | 20 | Purchased goods for cash | Rs.800 | | 25 | Paid salaries in cash | Rs.1200 | | CO3 | 20 |
| (OR) | | | | |
| 6. |  | Explain the meaning and purpose and different types of cash books, prepared by the business entity, bringing out the merits of the same. | CO2 | 20 |
|  |  |  |  |  |
| 7. |  | High Fashions Ltd, purchased a fashion designing machine costing Rs.15 million. As per suppliers warranty, the physical life of the machine is estimated to be eight years. However, the management would like to replace the machine after 5 years. At that time, the machine is expected to fetch a scrap value of Rs.5 million.   1. What will be the annual depreciation if the company follows the SLM of charging depreciation 2. How will the asset and depreciation appear in the second year’s balance sheet and profit and loss account of High fashions Ltd after acquisition of the machine? | CO3 | 10+10 |
| (OR) | | | | |
| 8. |  | Discuss the provisions of Companies Act 1956 and Income Tax Act 1961 relating to Depreciation. | CO2 | 20 |
|  | |  |  |  |
|  | | **Compulsory**: |  |  |
| 9. |  | From the following balances extracted from the books of SDTV Ltd., and additional information prepare the balance sheet of the company for the year ended 31st March 2010.   |  |  | | --- | --- | | Particulars | Amount in Rs. | | Accumulated Depreciation | 10,683.91 | | Advances from Customers | 4040.93 | | Bank Balance | 340.24 | | Capital Work in progress | 161.82 | | Cash in hand | 18.34 | | Deferred tax assets | 1123.92 | | Employee stock option outstanding | 1380 | | Fixed Assets | 31220.96 | | General reserve | 527 | | Inventories | 36.47 | | Investments | 5338.02 | | Loans and advances | 6432.65 | | Other current liabilities | 904.43 | | Profit & Loss a/c (Dr.balance) | 5741.32 | | Provisions for gratuity and employee benefits | 955.52 | | Revaluation reserve | 2296.39 | | Secured long term loan | 3350.43 | | Secured loan-working capital | 8057.47 | | Securities premium account | 16017.01 | | Share capital (Equity share of Rs.4 each) | 2508.52 | | Sundry Creditors | 6286.06 | | Sundry Debtors | 12913.14 | | Unsecured loan-working capital | 4767.83 |   Additional Information:   1. All the investments are long term in nature. The Management estimates that there is a diminision in the value of investments to the extent of Rs.395.65 lakh which is permanent in nature. 2. Loans and advances are long-term. Loans amounting to Rs.400 lakhs are doubtful and need to be provided for. 3. Out of the secured term, loans outstanding an amount of Rs.794.15 lakh is falling due to repayment within the next 12 months.   Make a provision of Rs.755.71 lakh towards doubtful debts on Sundry debtors. | CO4 | 20 |