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



**End Semester Examination – Nov / Dec – 2019**

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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. |  | Discuss the Accounting Concepts and Conventions which are generally used in preparation of Financial Statements. | CO1 | | 20 |
| **(OR)** | | | | | |
| 2. | a. | Distinguish Trade Discount from Cash Discount. | CO1 | | 10 |
| b. | Differentiate between Revenue, Capital and Deferred Revenue Expenditures. | CO1 | | 10 |
|  |  |  |  | |  |
| 3. |  | The following are the balances extracted from the Ledgers of M/s Oxford Printers. Prepare Trial Balance as on 31st December 2018.  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 |
|  | | | | | |
| 4. |  | Elaborate the various causes under which the balances of Pass book and Cash book differ. | CO5 | | 20 |
|  |  |  |  | |  |
| 5. |  | The Pass Book of Peter Collins showed a credit balance of Rs.74000. On comparision with Cash book, the following omissions were found out.   1. Cheques received from customers for Rs.4500 and 2200 were not credited by the banker 2. A cheque for Rs.1000 received from Mr.A though debited was not paid into the bank 3. The pass book showed a credit of Rs.750 being interest on investment collected 4. There was a debit of Rs.1200 in the pass book in respect of cheques dishnoured.   Prepare a Bank Reconciliation Statement as on 30th December 2018 to find out the Cash Book Balance. |  | |  |
| **(OR)** | | | | | |
| 6. |  | Explain the different types of errors with suitable example and state how they affect the Trial Balance. | | CO3 | 20 |
|  |  |  | |  |  |
| 7. |  | In taking out a trial balance, a book-keeper finds that debit total exceeds the credit total by Rs.352. The amount is placed to the credit of a newly opened suspense account. Subsequently, the following mistakes were discovered. You are required to pass the necessary entries for rectifying the mistakes, and show the suspense account.  i) Sales day book was overcast by Rs.100  ii) A Sale of Rs.50 to Shri Ram was wrongly debited to Shri Krishna  iii) General expenses Rs.18 were posted as Rs.80  iv) Cash Received from Shri Govind was debited to his account  Rs.150  v) While carrying forward the total of one page of the purchases  book to the next, the amount of Rs.1235 was entered as Rs.1325 | | CO3 | 20 |
| **(OR)** | | | | | |
| 8. |  | A firm purchased on 1 January 2004, certain machinery for Rs.58200 and spent Rs.1800 on its installation. On 1 July 2004 additional machinery costing Rs. 20000 was purchased. On 1 July 2006, the machinery purchased on 1 January 2004, having become obsolete was auctioned for Rs.28600 and on the same date fresh machinery was purchased at a cost of Rs.40000.  Depreciation was provided for annual on 31st December at the rate of 10% on written down value.  Give the machinery account as it would stand at the end of each year 2004 to 2007. | | CO3 | 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** | |  |  |  | | CO:4 | 15 | | Adjustments:  i) Stock on hand at closing Rs. 4900 at cost price and  Rs. 5900 market price.  ii) Salaries outstanding Rs.300  iii) Rent Paid in advance Rs. 200  iv) Insurance Paid in advance Rs.90  v) Depreciate Machinery by 10 per cent |  |  | | | CO4 | 20 |