

NOVEMBER/DECEMBER 2017

BAIM12B — FINANCIAL ACCOUNTING - I

Time : Three hours

Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer ALL the questions.

1. What is Financial Accounting?
2. What is Accounting Equations?
3. What is meant by Depreciation?
4. What is Straight Line method?
5. Define Average Due date.
6. What is Insurance Claim?
7. Define Firal Account.
8. What is Balance sheet?
9. What is single Entry?
10. State any four objectives of single entry system.

18. A partner has withdrawn the following sums of money during the half year ending 30.06.1994.

Jan 15	Rs.300	April 20	Rs. 400
Feb 18	Rs 250	May 16	Rs.300
March 10	Rs.150	June 18	Rs. 500
March 26	Rs. 200		

Interest is to be charged at 8% pa. find out the average due date and calculate the amount on interest to be debited to the partner.

19. Prepare trading and profit Loss account from the following information given below.

	Rs.		Rs.
Opening stock	3,600	Rent (factory)	400
Purchases	18,200	Rent (office)	500
Wages	3,620	Sales return	700
Closing stock	4,420	Purchase return	900
Sales	32,000	General expenses	900
Carriage on purchases	500	Discount on customers	360
Carriage on sales	400	Interest from bank	200

Raman agreed to draw a bill for the total amount due on the average due date. Ascertain that date.

Or

(b) Goods of Rs. 80,000 of M/s.Raju & sons are insured for Rs. 70,000 subject to average clause. Loss due to fire is assessed at Rs. 16,000. Calculate what claim the insured will get from the insurers.

14. (a) Pass necessary adjusting entries in Mr. X's journal on 31st December 1998.

- (i) Rs.20,000 for wages were outstanding
- (ii) Write off depreciation on machinery Rs.50,000
- (iii) Rs. 15,000 were received in advance as interest.
- (iv) samples worth Rs.5,000 distributed during a sale campaign programme.

Or

(b) Calculate Net profit from the following;

Purchases (200 units)	Rs. 10,000
Freight and carriage	Rs. 1,200
Rent and advertising	Rs. 600
Sales (150 units)	Rs. 10,800

SECTION B — (5 × 5 = 25 marks)

Answer ALL the questions.

11. (a) Explain the accounting concepts and conventions.

Or

- (b) Prepare Bank Reconciliation Statement.

Balance as per Pass book (cr.) (31.12.91)	9,000
Cheques issued but not presented	15,000
Cheques deposited but not credited	1,500
Bank has given credit for interest	150

12. (a) What are the objectives of providing Depreciations?

Or

- (b) A company purchased a plant for Rs. 50,000. The useful life of the plant is 10 years and the residual value is Rs. 10,000. Find out the rate of depreciation under the straight line method.

13. (a) Kannan purchased goods from Raman, the due dates for payment in cash being as follows.

	Rs.	
Mar.15	1,000	Due 18 th April
Apr.21	1,500	Due 24 th May
Apr.27	500	Due 30 th June
May 15	600	Due 18 th July

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20. Mr. Rani keeps his books of accounts under single entry system. His financial position on 31.12.90 and 31.12.91 was follows.

	1990 Rs.	1991 Rs.
Cash	9,860	800
Stock in trade	38,520	57,020
Plant and machinery	54,420	61,000
Bills receivable	—	16,480
Sundry debtors	24,840	43,940
Sundry creditors	72,040	80,000
Furniture	4,960	5,220
Drawings	—	5,000

During the year he introduced additional capital of Rs.20,000. From the above particulars prepare a statement of profit and Loss of Mr. Ram for the year ended 31.12.91.

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15. (a) Find out the profit from the following:

	Rs.
Capital at the beginning of the year	8,00,000
Drawings during the year	1,80,000
Capital at end of the year	9,00,000
Capital introduced during the year	50,000

Or

(b) Calculate the stock at the end of the year:

	Rs.
Sales	3,00,000
Opening stock	25,000
Purchases	2,50,000
Wages (productive)	5,000
Carriage inwards	3,500
Rate of gross profit on cost	20%

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SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

16. The Bank overdraft of Rajini on 31.12.93 as per cash book is Rs.9,000. From the following particulars, prepare bank Reconciliation Statement.

(a) Unpresented cheque	3,000
(b) Uncleared Cheque	1,700
(c) Bank interest debited in the pass book only	500
(d) Bill collected and credited in the pass book only	800
(e) Cheque of Renu dishonoured	500
(f) Cheques issued to sekar entered in the cash Column of cash book	300

17. George Co.Ltd. Purchased a machine on 1st January 1995 for Rs. 50,000. On 1st July 1995 further machinery was purchased for Rs. 250,000. On 1st July 1996, the machinery purchased on 1st January 1995 having become obsolete, was sold off for Rs. 20,000. Depreciation has to be charged at 20% on the original cost assuming that the accounts are closed every year on 31st December. You are required to prepare (a) Machinery A/c (b) Provision for Depreciation A/c.

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