

Reg. No. :

Name :

Third Semester B.Com. LL.B. (Five Year Integrated)

Degree Examination, September 2018

Paper – II : FINANCIAL ACCOUNTING

Time : 3 Hours

Max. Marks : 80

I. Answer **any five** of the following. **Each** question carries **2** marks. **(5×2=10 Marks)**

- 1) Explain single entry system.
- 2) Define trial balance.
- 3) What do you mean by incomplete records ?
- 4) What is receipts and payments account ?
- 5) Explain ASB.
- 6) Explain deferred revenue expenditure.
- 7) Explain invoice method.

II. Answer **any four** of the following. **Each** question carries **4** marks.

(4×4=16 Marks)

- 1) What are the classifications of expenditures ?
- 2) What are the objectives of accounting ?
- 3) Explain the objectives of preparing a trial balance.
- 4) Explain the difference between balance sheet and statement of affairs.
- 5) Explain the difference between income and expenditure account and receipts and payment account.



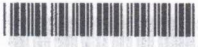
III. Answer **any four** of the following :

(4×6=24 Marks)

1) What are the methods for preparing trial balance ?

2) Prepare a trial balance of Mr. Paramasivam as on 31-30-2016.

	Rs.
Capital	9,20,000
Creditors	1,88,520
Bills payable	69,300
Sales	12,18,500
Provision for doubtful debts	13,200
Interest (Cr.)	3,400
Buildings	7,00,000
Machinery	1,20,000
Furniture	16,400
Debtors	1,56,000
Opening stock	1,50,400
Cash in hand	9,880
Cash at bank	1,45,340
Bills receivable	58,440
Purchases	8,55,220
Carriage inwards	12,910
Carriage outwards	8,000
General expenses	60,850
Insurance	7,830
Bad debts	6,130
Audit fees	4,000
Travelling expenses	3,250
Discounts (Dr.)	6,200
Sales returns investments	89,220



3) From the following ascertain total purchases :

	Rs.
Balances of creditors on 1-1-2011	14,000
Cash paid to creditors	10,000
B/P given	10,000
Discount allowed by them	500
Return outward	3,000
Creditors as on 31-12-2011	25,000
Cash purchases	10,000

4) Explain the merits and demerits of single entry system.

5) From the following information supplied by excel enterprises of Ganesh, prepare the accounts receivable account and find out the missing figure, if any.

	Rs.
Opening balance of accounts receivable as on 1 April 2002	1,00,000
Bills receivable dishonoured during the year	10,000
Cheque dishonoured (Bank)	5,000
Cash received from accounts receivable	25,000
Cheque received and deposited in the bank	10,000
Discount allowed	4,500
Bad debts	2,500
Sales returns	6,000
Closing balance of accounts	10,000
Receivable as on 31 March 2002	

IV. Answer any three of the following :

(3×10=30 Marks)

1) Mr. Ramesh, the owner of a mobile shop maintains incomplete records of his business. He wants to know the result of the business in 31st Dec. 1998 and for that following information are available :

	1st Jan. 1998	31st Dec. 1998
Cash in hand	300	350
Bank balance	1,500	1,600
Furniture	200	200
Stock	1,000	1,300
Creditors	700	800
Debtors	500	600

During the year he had withdrawn Rs. 1,000 for his personal use and invested Rs. 500 as additional capital. Calculate his profit on 31st Dec. 1998.



- 2) Explain the steps under conversion method.
- 3) Akhilesh runs ABC printers, a small printing firm. He was maintaining only some records, which he thought, were sufficient to run the business. On 1 April 2000 available information from his records indicated that ABC printers had the following assets and liabilities :

	Rs.
Printing Press	5,00,000
Building	2,00,000
Stock of press material	50,000
Cash at bank	65,600
Cash in hand	7,980
Dues from customers	20,350
Payments due to accounts payable	75,340
and Wages pending to workers	5,000

He withdrew Rs.8,000 every month for meeting his expenses.

He had also introduced Rs. 15,000 during the year as additional capital.

On 31st March 2001 his position was as follows :

	Rs.
Press	5,25,000
Building	2,00,000
Stock of press material	55,000
Cash at bank	40,380
Cash in hand	15,340
Dues from customer	17,210
Payments due to accounts payable	65,680

Using statement of affairs method, calculation the profit made by ABC printers during the year.

- 4) Explain the accounts for non-profit organizations.