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W – 1262

Reg. No. :

Name :

**Third Semester B.Com. LL.B. (Five Year Integrated) Degree Examination,
October 2025**

Paper II : FINANCIAL ACCOUNTING

(2013-2019 Admission)

Time : 3 Hours

Max. Marks : 80

PART – I

Answer any **five** of the following. **Each** question carries **2** marks.

1. Define Accounting.
2. What is conservatism/prudence?
3. What do you mean by Statement of Affairs?
4. What is current asset?
5. What is contra entry?
6. What do you mean by prepaid expenses?
7. What is an income and expenditure account?

(5 × 2 = 10 Marks)

PART – II

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

8. What are the advantages of double entry system of accounting?
9. What are the benefits of Accounting Standards?

P.T.O.

10. What is consignment?
11. What do you mean by self balancing system in Accounting?
12. Explain the salient features of Income and Expenditure Account.

(4 × 4 = 16 Marks)

PART – III

Answer any four of the following. Each question carries 6 marks.

13. From the following particulars relating to Cloud Point, prepare a Receipt and Payment account for the year ending March 31, 2021.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
Opening cash balance	1,000	Sale of old sports materials	1,200
Opening bank balance	7,200	Donation received for pavilion	4,600
Subscriptions collected for:		Rent paid	3,000
2018- 19 Rs. 500		Sports materials purchases	4,800
2019-20 Rs. 7,600		Purchase of refreshments	600
2020-21 <u>Rs.900</u>	9,000	Expenses for maintenance of tennis court	2,000
Sale of refreshments	1,000	Salary paid	2,500
Entrance fees received	1,000	Tournament expenses	2,400
		Furniture purchased	1,500
		Office expenses	1,200
		Closing cash in hand	400

14. Prepare a double column cash book of Mohan and balance it.

Date	Transactions	Amount (Rs.)
June 1, 2022	Cash in hand	1,900
	Cash at bank	4,300
June 3	Purchases good for cash	1,200
June 5	Sold goods for cash	3,000
June 5	Paid to Sajeev by cheque	2,250
June 8	Received a cheque from Raju and deposited to bank	3,100
June 11	Deposited cash into bank	1,500
June 16	Purchased stationery	150
June 19	Received commission	350
June 22	Withdrew cash from bank	750
June 24	Paid rent by cheque	450
June 27	Withdrew cash from bank for domestic use	600
June 30	Received cash on sales	2,400

15. From the following information, show the account of Rajani in the books (Ledger) of Vijay 2016

June 1 Credit balance b/d Rs. 1,600

June 9. Purchased goods from Rajani Rs.1,400

June 17 Returned goods to Rajani Rs. 250

June 24 Sold goods to Rajani worth Rs. 750

June 28 Received goods returned by Rajani Rs. 450

June 29 Paid cash Rs. 2425 to Rajani; discount allowed by him Rs. 25.

Differentiate capital expenditure and revenue expenditure.

16. From the following information prepare a Profit and Loss Account of Rajan and Bros., for the year ending 31st December 2023.

	Rs.		Rs.
Gross Profit	12,000	Advertising	850
Salaries	4,500	Discount allowed	500
Stationery	250	Discount received	700
Insurance	200	Interest received	1,000
Carriage on sales	450	Bad debts	200
Commission paid	800		

17. Discuss the features of Receipts and Payments account.

(4 × 6 = 24 Marks)

PART – IV

Explain any **three** of the following. **Each** question carries **10** marks.

18. The following is the trial balance of Kumar Mohan as on 31st December 2018. Prepare Trading and Profit and Loss account and balance Sheet from the following particulars.

Particulars	Debit Balance	Credit Balance
Purchases	1,20,500	
Opening stock	21,500	
Salaries	14,000	
Rent and rates	3,000	
Insurance	800	
General expenses	3,100	
Wages	25,000	
Machinery	31,000	
Sundry Debtors	20,000	
Cash at Bank	3,000	

Particulars	Debit Balance	Credit Balance
Drawings	7,000	
Capital		52,000
Sales		1,86,000
Sundry Creditors		10,900

Adjustments

- Salaries for the month of December still unpaid Rs. 1,600.
- Insurance prepaid to the extent of Rs.250
- Depreciate machinery by 10%
- Closing stock was valued at Rs.26,000.

19. From the Receipt and Payment Account given below, prepare the Income and Expenditure Account of Clean Delhi Club for the year ended March 31, 2022

Receipt and Payment Account for the year ending March 31, 2022

Receipts	Amount (Rs.)	Payments	Amount (Rs.)
Balance b/d (Cash in Hand)	3,200	Salary	1,500
Subscriptions	22,500	Rent	800
Entrance Fees	1,250	Electricity	3,500
Donations	2,500	Taxes	1,700
Rent of hall	750	Printing and Stationery	380
Sale of investments	3,000	Sundry expenses	920
		Books purchased	7,500
		Govt. bonds purchased	10,000
		Fixed deposit with bank (on 31.03.2014)	5,000
		Balance c/d	
		Cash in hand 400	
		Cash at bank <u>1,500</u>	1,900
	33,200		33,200

20. Bush Radio & Co., Delhi sent on consignment to Chadda & Co., Calcutta 100 radio sets, invoiced at Rs. 100 each on January 6, 2018. Bush Radio & Co. paid Rs. 1,000 on the same day for dispatching goods to the consignee. Consignee remitted Rs. 5,000 as an advance by bank draft on January 14. The Consignee is entitled to a commission of 10% on the sale proceeds. On receipt of goods, the consignee paid Rs. 1,000 for freight and Rs. 500 for godown charges. On January 28, Chadda & Co. sent an Account Sales showing that the radio sets have realized Rs. 200 each. He remits the amount due to Bush Radio & Co. Pass Journal entries and prepare ledger accounts in the books of the consignor.
21. What are the important accounting concepts/ Principles? Explain.

(3 × 10 = 30 Marks)