

End Semester Examination (2021-22)-Odd Semester

B.Com (Hons.)/BBA/BBA(BA) – I Year (I Sem)

Course Name: Financial Accounting

Code: BCM 1002

Time: 02 Hours

Max Marks: 60

University Roll No.

(To be filled by the Student)

Note: Please read instructions carefully:

- The question paper has 03 sections and it is compulsory to attempt all sections.
- All questions of Section A are compulsory; questions in Section B and C contain choice.

Section A: Very Short Answer type Questions Attempt all the questions.		BL	CLO	Marks (10)
1.	Define financial accounting and also enlist two importance of financial accounting.	BL2	CLO1	02
2.	Define depreciation and its importance.	BL1	CLO2	02
3.	Discuss the relevance of preparing bank reconciliation statement.	BL2	CLO3	02
4.	Elaborate the objectives of preparing profit and loss accounts.	BL6	CLO4	02
5.	What do you understand by consignment accounting? Also enlist two features of consignment accounting.	BL1	CLO1	02
Section B: Short Answer Type Questions Attempt any 03 out of 05 questions.		BL	CLO	Marks (30)
1.	Explain in detail the different types of accounts along with their rules of double entry system.	BL2	CLO1	10
2.	Journalize the following transactions in the books of Mr. X: a) Start business with capital Rs. 10,000 b) Purchase machinery for cash Rs. 50000 c) Salary and commission paid for Rs 50000 and Ra 2000 d) Commission Received Rs. 40000 e) Good sold to Ramesh for cash Rs 10,000	BL3	CLO2	10
3.	Explain in detail the assumptions and concepts of Economic order quantity.	BL2	CLO2	10
4.	“Bill of Exchange helps in easy recovery of credit sales.” In reference to the above statement explain in detail the concept and features of bills of exchange and also highlight the various parties involved in bills of exchange transactions.	BL2	CLO4	10
5.	In a manufacturing firm the manager anticipates the following below mentioned details in regard to their inventory stock. Considering the below details calculate the economic order quantity, number of orders, and Ordering Cost: Annual Demand: 2400 Ordering Cost: Rs. 10 per order Carrying Cost: Rs. 0.30	BL3	CLO3	10

Section C: Long Answer Type Questions Attempt any 01 out of 03 questions.		BL	CLO	Marks (20)																																												
1.	“Accounting concepts and conventions define the procedures for the preparation of accounting books.” In the light of the above statement explain in detail the accounting concepts and conventions.	BL2	CLO1	20																																												
2.	On 1st April, 2015, X Ltd. purchased a machine costing ₹ 4,00,000 and spent ₹ 50,000 on its installation. The estimated life of the machinery is 10 years, after which its residual value will be ₹ 50,000 only. Find the amount of annual depreciation according to the Fixed Instalment Method and prepare Machinery Account for the first three years. The books are closed on 31st March every year. In addition, also discuss the various causes of depreciations.	BL3	CLO3	20																																												
3.	Prepare trading and profit and loss account and balance sheet as on March 31, 2018 :	BL3	CLO4	20																																												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Account Title</th> <th style="width: 15%;">Amount ₹</th> <th style="width: 25%;">Account Title</th> <th style="width: 35%;">Amount ₹</th> </tr> </thead> <tbody> <tr> <td>Machinery</td> <td style="text-align: right;">27,000</td> <td>Capital</td> <td style="text-align: right;">60,000</td> </tr> <tr> <td>Sundry debtors</td> <td style="text-align: right;">21,600</td> <td>Bills payable</td> <td style="text-align: right;">2,800</td> </tr> <tr> <td>Drawings</td> <td style="text-align: right;">2,700</td> <td>Sundry creditors</td> <td style="text-align: right;">1,400</td> </tr> <tr> <td>Purchases</td> <td style="text-align: right;">58,500</td> <td>Sales</td> <td style="text-align: right;">73,500</td> </tr> <tr> <td>Wages</td> <td style="text-align: right;">15,000</td> <td></td> <td></td> </tr> <tr> <td>Sundry expenses</td> <td style="text-align: right;">600</td> <td></td> <td></td> </tr> <tr> <td>Rent & taxes</td> <td style="text-align: right;">1,350</td> <td></td> <td></td> </tr> <tr> <td>Carriage inwards</td> <td style="text-align: right;">450</td> <td></td> <td></td> </tr> <tr> <td>Bank</td> <td style="text-align: right;">4,500</td> <td></td> <td></td> </tr> <tr> <td>Opening stock</td> <td style="text-align: right;">6,000</td> <td></td> <td></td> </tr> </tbody> </table> <p>Closing stock as on 31st March 2018: Rs. 22400</p>		Account Title	Amount ₹	Account Title	Amount ₹	Machinery	27,000	Capital	60,000	Sundry debtors	21,600	Bills payable	2,800	Drawings	2,700	Sundry creditors	1,400	Purchases	58,500	Sales	73,500	Wages	15,000			Sundry expenses	600			Rent & taxes	1,350			Carriage inwards	450			Bank	4,500			Opening stock	6,000					
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