Roll No.

Total No. of Questions: 07 **Total No. of Pages: 03**

B. Com. (Sem. 1)
FINANCIAL ACCOUNTING
Subject Code: BCOP-101
Paper ID: B1101

Time: 3 Hrs. **Max. Marks: 60**

INSTRUCTIONS TO CANDIDATES:

1. **Section A is COMPULSORY consisting of TEN questions carrying TWO marks each.**
2. **Section B contains SIX questions carrying TEN marks each and students have to attempt any FOUR questions.**

SECTION A

1. Explain the following in 2-5 lines.

a) Credit note.
b) Purchase book.
c) Accrual concept.
d) Conversation of conservatism.
e) Advantages of bank reconciliation statement.
f) Endorsement of a bill
g) Difference between a bill of exchange and a promissory note.
h) Intangible assets.
i) Account current.
j) Self balancing ledgers.

SECTION B

2. Journalize the following transactions. Post in the ledger accounts and prepare a trial balance.

Jan 1. Ramesh commenced business with Rs 40000 cash and also brought into business furniture worth Rs. 5000, motor car valued at Rs. 12000 and stock worth Rs. 20000.

Jan 3. Deposited Rs. 38000 into state bank of Patiala.

Jan 5. Bought goods on credit from Sen Rs. 9000

Jan 6. Sold goods to Basu on credit for Rs. 6000

Jan 8. Bought stationery from Ram Bros. for cash Rs. 200.

Jan 9. Sold goods to Dalal for Rs 2000 for which cash was received.

Jan 10. Paid Rs. 600 as travelling expenses to Mehta in cash.

Jan 12. Ramesh withdrew for personal use Rs.1000 from the bank.

Jan 15.	Withdraw from the bank Rs.3000 for office use.
Jan 18.	Paid to Sen by cheque Rs.8800 in full settlement of his account.
Jan 20.	Paid Rs.400 in cash as freight and clearing charges to Gopal
Jan 25.	Received a cheque for Rs.6000 from Basu.
Jan 31.	Paid Rs.300 by cheque to Bombay house society being the house rent of Ramesh.
Jan 31.	Received intimation from the bank credit his account with Rs. 200 as interest debiting Rs.2 as bank charges.

3. From the following balances prepare the manufacturing, trading, profit and loss account for the year ended 31 December 2014 and a balance sheet as on that date

	Dr.(Rs.)		Credit(Rs.)
Raw materials	27,458	Sales	5,00,000
Work in progress	19,379	Income from investment	300
Finished goods	20,642	Bank interest	50
Purchases	1,34,762	Creditors	13,000
Direct wages	1,12,378	Capital	1,86,650

			7,00,000
Power	23,246		
Wages indirect factory	31,351		
Rent & rates factory	10,724		
Heating & Lighting	2,841		
Depreciation factory	6,015		
Productive expenses	1,020		
Office salaries	35,642		
Office expenses	20,326		
Salesman's salaries	18,421		
Selling expenses	15,263		

Distribution expenses	13,248
Loss on sale of plant	1,250
Fines	200
Interest	150
Debtors	50,000
Cash & Bank	4,000
Fixed assets	1,51,684

	7,00,000

On 31st December 2014 inventory was valued as

Follows:

Raw materials Rs.29326

Work in progress Rs.21382

Finished goods Rs.22435

4. On 1st April 2010, a firm purchased a machinery for Rs.2,00,000. On 1st October in the same accounting year, additional machinery costing Rs.1,00,000 was purchased. On 1st October 2011, the machinery purchased on 1st April 2010, having become obsolete, was sold off for Rs.90,000. On 1st October 2012, new machinery was purchased for Rs. 2,50,000 while the machinery purchased on 1st October 2010 was sold for Rs 85,000 on the same day.

The firm provides depreciation on its machinery @10% per annum on original cost on 31st march every year.

Show machinery account, provision for depreciation account and depreciation account for the period of three accounting years ending 31st march 2013.

5. What are the various types of errors that may occur in accounting? How these errors are rectified. Elaborate the procedure of rectifying errors when a suspense account has been opened.

6. What is Bank Reconciliation statement and why is it prepared? Explain the reasons on account of which the balance as shown by the pass book sometimes does not tally with the balance as shown by the bank column of the cash book.

7. Write a detailed note on average due date.