

ANNAI VIOLET ARTS AND SCIENCE COLLEGE
DEPARTMENT OF CORPORATE SECRETARYSHIP

CONTINUOUS INTERNAL ASSESSMENT – II (ODD SEM)

SUBJECT: Financial accounting

Class: I B.COM CS

Date: 7.11.22

Max.Marks: 75

Sub. Code: AY21A

PART A (10 × 2 = 20 Marks)

Answer any TEN questions

1. What is trading account?
2. What is gross profits?
3. What is profit&loss account?
4. What is balance sheet?
5. What is opening stock?
6. What is direct expenses?
7. What is meant by adjusting entries?
8. What is depreciation?
9. What is NSED?
10. What is self-insurance?
11. What is called standard turnover?
12. What is indemnity period?

PART B – (5 × 5 = 25 Marks)

Answer any FIVE questions

13. Distinguish between the trading account and profit and loss account?
14. Prepare trading account of suresh for the year ending 31.12.18 from the following information

Particulars	Amount	Particulars	Amount
Opening stock	80,000	Sales	14,40,000
Purchase	8,60,000	Purchase	
Freight inward	52,000	returns	10,000

Wages	24,000	Sales returns	3,16,000
Import duty	30,000	Closing stock	1,00,000

15. From the following particulars prepare a receipts and payments account

Cash in hand	Rs 100	Rent paid	Rs 400
Cash at bank	Rs500	General expenses	Rs 210
Subscription received	Rs3,300	Postage and stationery	Rs 70
Donation received	Rs 260	Sundry expenses	Rs 30
Investment purchased	Rs 1000	Cash balance at close	Rs 20

16. From the following information, prepare receipts and payment account for the year ending 31st march 2007 of Chennai sports club

Entrance fees	500	Periodicals and newspapers	1,000
Subscription collected	2,000	Miscellaneous Expenses	400
Salary paid	1,000	Tournament expenses	2,000
Donation for club pavilion	20,000	Furniture purchased	1,000
Rent paid	880	Salaries and rent outstanding	300
Cash in hand (Opening)	1,000	Construction of a club pavilion	15,000

17. Explain the characteristics of non-profit organisation?
18. Distinction between receipts & payment account and income and expenditure account?
19. Explain the classification of receipts and payment account?

PART C – (3 × 10 = 30 Marks)

Answer ANY THREE questions

20. Prepare trading and profit and loss account from the information given below Calculate gross profits and net profits of Mr. Ravi

Particulars	Amount	Particulars	Amount
Opening stock	3,600	Factory rent	400
Purchase	18,260	Office rent	500
Wages	3,620	Sales returns	700
Closing stock	4,420	Purchase returns	900
Sales	32,000	General expenses	500
Carriage on purchase	500	Discount to customers	360
Carriage on sales	400	Interest from bank	200

21. From the following trial balance of Mr. Hariharan as on 31st march 2015, prepare trading account and profit & loss account and balance sheet taking into account the following adjustments

Debit balance	Amount	Credit balance	Amount
Land and building	42,00	Capital	62,000
Machinery	20,00	Sales	98,780
Patents	7,500	Return outwards	500
Stock on 1.4.14	5760	Creditors	6,300
Debtors	14,500	Bills payable	9,000
Purchase	40,675		
Cash in hand	540		
Cash at bank	2630		
Return inwards	680		
Wages	8480		
Fuel and power	4730		
Carriage on sales	3200		
Carriage on purchase	2040		
Salaries	15,000		
General			

expenses	3000		
Insurance	600		
Drawings	5245		
	1,76,580		1,78,580

Adjustments:

- a) Stock on 31.3.15 was rs.6,800
 - b) Salary outstanding rs.1,500
 - c) Insurance prepaid rs.150
 - d) Depreciation Machinery@10% and patents@20%
 - e) Create a provision of 2% on debtors for bad debts
22. Prepare trading, profit&loss account and balance sheet 31.12.18 from the following information

Particulars	Amount	Particulars	Amount
Capital	50,000	Purchase	2,20,000
Bank overdraft	8,400	Sales	3,01,000
Furniture	5,200	Returns inwards	5,000
Business premises	40,000	Discount(cr)	800
Creditors	26,600	Taxes and insurance	4,000
Opening stock	44,000	General expenses	8,000
Debtors	36,000	Salaries	18,000
Rent from tenants	2,000	Commission allowed	4,400
Carriage on purchase	3,600	Provision for doubtful debts	1,000
Bad debt written off	1,600		

23. Explain the characteristics of single-entry system?
24. Explain the different methods of calculating depreciation?