

ANNAI VIOLET ARTS AND SCIENCE COLLEGE
DEPARTMENT OF ACCOUNTING AND FINANCE

CONTINUOUS INTERNAL ASSESSMENT – II (ODD SEM.)

Subject : FINANCIAL ACCOUNTING

Class : I B.Com.,A&F

Max.Marks : 75

Date : 1.11.22

Sub. Code: CZ21A

PART A (10 × 2 = 20 Marks)

Answer any TEN questions

1. What is Trading account?
2. What is Gross Profit?
3. What is Depreciation?
4. What is straight line method?
5. What do you mean by Single entry system?
6. What is conversion method?
7. What is written down Value Method?
8. What is Net worth method?
9. Explain the features of single entry system
10. What is Donation?
11. What do you mean by subscription?
12. What is revenue receipt?

PART B – (5 × 5 = 25 Marks)

Answer any FIVE questions

13. Prepare the trading and profit and loss account from the following given below

particulars	Amount (in Rs)	particulars	Amount(in Rs)
Opening stock	7200	Factory rent	800
purchases	36520	Office rent	1000
Wages	7240	Sales return	1400
Closing stock	8840	Purchase return	1800
Sales	64000	General expenses	1000

Carriage on purchase	1000	Discount to customers	720
Carriage on sales	800	Interest on bank	400

Calculate gross profit and net profit of Mr Ram.

14. An asset is purchased for Rs 25000. depreciation is to be provided annually According to the straight line method. the useful life of the asset is 10 years and the residual value is Rs 5000. you are required to find out the rate of depreciation and prepare the asset account for the first three years.
15. Mr prem keeps his books by the single entry method .His Position on 31.12.15 and 31.12.16 was as follows:

Particulars	31.12.2015(in Rs)	31.12.2016(in Rs)
Cash in hand	600	900
Cash at bank	9,000	6,000
Stock in trade	60,000	57,000
Sundry debtors	25,500	42,000
Furniture	5,400	4,500
Plant	45,000	81,000
Sundry Creditors	66,000	87,000

During the year Mr Prem Introduced Rs 15,000 as Further Capital and Withdraw Rs 2,250 per month. From the above, Prepare a Statement Showing the profit or loss made by him for the year ended 31.12.2016

16. Distinguish between Trading A/C and Profit and loss A/C
17. Explain the concept of Average Clause in Fire Insurance
18. A fire occurred in the premises of Mr sathyamoorthu on 15th august 2015. A large part of the stock was destroyed and Rs 7,500 was realised for the salvage .for the period from 1st january 2015 to 15 the August 2015, the following information is available:
 - Purchase amounted Rs 42,500.
 - Sales amounted Rs 45,000
 - Stock on hand on 1st january 2015 was Rs 20,000 at cost price
 - Goods costing Rs 2,500 were taken by Sathya moorthy for his personal use
19. Difference Between Single entry system and double entry system

The previous accounts reveal that the rate of gross profit was 33 1/3 on sales. the insurance policy was Rs 25,000 and included an average clause. Prepare the statement of claim to be made on the insurance company.

PART C – (3 × 10 = 30 Marks)
Answer any THREE questions

20. From the following particulars ,Prepare Income and expenditure account

Particulars	Amount (in Rs)
Fees Collected,including Rs 80,000 on account of previous year	3,80,000
Current year outstanding	10,000
Salary paid,including Rs 3,000 on account of the previous year	28,000
Salary outstanding at the end of the year	1,000
Entertainment Expenses	3,000
Tournament Expenses	12,000
Meeting Expenses	18,000
Travelling Expenses	6,000
Purchase of books and periodicals (including Rs 19,000 for previous year)	29,000
Rent	10,000
Printing and Stationery	4,000
Postage	15,000
Donation Received	20,000

21. Explain the different methods of calculating depreciation

22. Mr Prasad keeps his books by the single entry method .His position on 31.12.15 and 31.12.16was as follows

particulars	31.12.2015(in Rs)	31.12.2016(in Rs)
Cash in hand	200	300
Cash at bank	3000	2000
Stock in trade	20000	19000
Sundry debtors	8500	14000
Furniture	1800	1500
Plant	15000	27000
Sundry creditors	22000	29000

During the year Mr Prasad introduced Rs 5000as further capital and withdrew Rs 750 per month. From the above prepare the statement showing the profit or loss made by him for the year ended 31.12.2016

Interest credited in the pass book Rs 30

23. Difference between a balance sheet and a Statement of Affairs

24. Explain the different causes of depreciation