



MAR IVANIOS COLLEGE (AUTONOMOUS)
THIRUVANANTHAPURAM

Reg. No. :.....

Name :.....

Fourth Semester B.Voc. Degree Examination, June 2016
First Degree Programme under CSS
General Course – XII (for Tourism & Hospitality Management)
AUTH463: Financial Accounting

Time: 3 Hours

Max. Marks: 80

SECTION – A

Answer ALL questions each in a word or in a sentence.

1. What are accounting standards ?
2. What is convention of consistency ?
3. What do you mean by accounting cycle ?
4. What do you understand by an account ?
5. Define the term journal.
6. What is bank reconciliation statement ?
7. Is depreciation a source of fund ?
8. Explain the term deferred revenue expenditure.
9. What is debit note ?
10. Name the function key for journal voucher in tally.

(10 × 1 = 10 Marks)

SECTION – B

Answer any EIGHT questions, not exceeding a paragraph of 50 words.

11. Give steps to shut a company in Tally.
12. What are the objectives of accounting ?
13. What are the limitations of Trial Balance ?
14. What adjustment entries are required in respect of
 - i). Outstanding expenses
 - ii). Depreciation

15. Mr PS has the following assets and liabilities as on 31st December 2012, Ascertain his capital.
Cash Rs. 2,500; Bank Rs. 4,750; Debtors Rs. 1,800; Creditors Rs. 2,200;
Plant & Machinery – Rs. 8,000; Building – Rs. 20,000; Furniture – Rs. 2,400
Bills Receivables – Rs. 5,650; Bills Payable – Rs. 2,350
16. Name the sub divisions of journal.
17. Cost of a machine on 1.1.2013 is Rs. 1,20,000, salvage value is Rs. 20,000 and life is 10 years. Calculate the depreciation in straight line method assuming that accounting year ends on 31st December.
18. What are the reasons for difference in cash book balance and pass book balance ?
19. How interest on capital is treated while preparing final accounts ?
20. The manager is entitled to a commission of 10% on net profit after charging such commission. Net profit before charging such commission is Rs. 1,10,000. Find out the commission payable to manager.
21. Give the journal entries for the following transactions.
- i). Purchases goods worth Rs. 10,000 for resale
 - ii). Withdrew Rs. 25,000 from bank for office use
22. Distinguish between P & L A/c and Balance Sheet.

(8 × 2 = 16 Marks)

SECTION – C

Answer any SIX questions, in a page of 100 words.

23. What do you mean by grouping and marshalling of assets and liabilities ?
24. Explain the difference between capital expenditure and revenue expenditure.
25. Journalize the following transactions
- i). Started business with Rs. 2,00,000 in bank and Rs. 40,000 cash.
 - ii). Bought shop fittings Rs.40,000 and a van Rs.50,000 both paid by cheque
 - iii). Bought goods for resale on credit from Z & Co. Rs.50,000
 - iv). Cash sales Rs.18,000
 - v). Paid Z & Co by cheque Rs.10,000
26. Record the following transactions in a Purchase Day Book.
- i). **March 1** – Purchases goods from M/s A &Co 20 bales of cotton @ Rs. 1,000 per bale, less trade discount @ 5% and cash discount @ 6%

- ii). **March 12** – Purchased from Madura coats 1,500 mtrs of fabrics @ Rs. 2 per mtr, less trade discount @ 10%
- iii). **March 25** – Purchased from Silk House, 20 bales of silk pcs @ Rs. 3,000 per bale, less trade discount @ 5%
- iv). **March 30** – Purchased furniture from Bombay Safe for Rs. 50,000
27. Write a single columns cash book for the Month of April 2013 from the following figures.
- i). 1st – Cash in hand Rs.1650
- ii). 2nd – Cash sales Rs.16000
- iii). 4th – Paid cheque to creditor Rs.3990 after deducting cash discount of Rs.210
- iv). 6th – Wages paid in cash Rs.2250
- v). 8th – Cash sales Rs.18000 of which Rs.15,000 was banked on April 7th
- vi). 11th – Paid wages in cash Rs.2850
- vii). 19th – Cash sales Rs.11400
- viii). 21st – Paid electricity bill in cash Rs.900
- ix). 23rd – Cash sales Rs.19200
28. Prepare a bank reconciliation statement from the following particulars
- i). Bank balance as per the pass book Rs.10,000
- ii). Cheque deposited into the bank but no entry was passed in the cash book Rs.500
- iii). Cheque received but not sent to bank Rs.1,200
- iv). Credit side of the bank column cast short Rs.200
- v). Insurance premium paid directly by the bank understanding advice Rs.600
- vi). Bank charge entered twice in the cash book Rs.20
- vii). Cheque issued but not presented to the bank for payment Rs.500
- viii). Cheque received entered twice in the cash book Rs.1,000
- ix). Bills discounted dishonored not recorded in the cash book Rs.500
29. A machine was purchased on 1st January 2011 for Rs.5,00,000 on 1st July 2011 another machine was purchased for Rs.3,00,000. Depreciation is to be provided @10% p.a. under reducing balance method. You are required to show;
- i). Machinery account and
- ii). Provision for depreciation account
30. Write out a petty cash from the following ;

2012 March 1 – Gave an imprest cheque of Rs.100 to the petty cashier. During the month the petty cashier made the following disbursements

March 7	bought postage stamps	Rs.20
10	paid for stationary	Rs.6.75
15	paid for carriage	Rs.7.50
20	paid for taxi hire to sales manager	Rs.5.50
22	bought ink and paper	Rs.7.50
25	paid for coolie	Rs.20
27	tea to travelling agent	Rs.23.5
31	cash purchase from stationary mart	Rs.9.25

31. State the advantages of computerized accounting system.

(6 × 4 = 24 Marks)

SECTION – D

Answer any TWO questions, not exceeding four pages.

32. Explain the different methods of calculating depreciation ?
33. Explain the various accounting concepts and conventions ?
34. From the following trial balance extracted from the books of Mr.R prepare Trading and Profit & Loss account and Balance sheet as on 30th June 2009

Debit Balances	Rs	Credit Balances	Rs
Cash in hand	540	Sales	98,780
Purchases	40,675	Return outwards	500
Wages	10,480	Capital	71,000
Carriage inwards	2,040	Sundry creditors	6,300
Opening stock	5,760		
Machinery	20,000		
Goodwill	7,500		
Salaries	15,000		
Insurance	3,600		
Sundry debtors	14,500		
Drawings	5,245		
Cash at bank	2,630		
Return inwards	680		
Fuel	4,730		
Carriage outwards	3,200		
Buildings	40,000		
	176,580		176,580

35. Journalize the following transactions and prepare necessary ledger accounts and verify the arithmetical accuracy of the ledger accounts.

Jan 1	Vicky started business with a capital of	1,00,000
3	Purchased goods from Ajith for cash	30,000
6	Cash sales	2,000
8	Goods sold to shankar on credit	6,000
10	Purchased goods from Anil on credit	10,000
15	Received from Shankar in full settlement	59,00
20	Paid to Anil	5,000
24	Purchased furniture for office use	4,000
31	Paid salary	3,000

(2 × 15 = 30 Marks)

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