

QP CODE
B1005

Enrollment Number:

Name:

FOUR YEAR UNDER GRADUATE DEGREE EXAMINATIONS, APRIL 2025

First Semester

B.Com (Honours)

SGB24CM101MC – Financial Accounting

(2024 July admissions)

Time: 3 Hours

Max Marks: 70

Section A

Answer any eight of the following questions in a word or sentence each. Each question carries 1 mark.

1. Define the term accounting.
2. Which accounting concept requires all the transactions to be recorded at their original cost?
3. Explain the term accounting standards.
4. List out any two objectives of partnership agreement.
5. Define the concept 'fluctuating capital method'.
6. Define sacrificing ratio.
7. State any two reasons behind charging depreciation in books of accounts.
8. List two primary bodies involved in accounting standard setting in India.
9. What is endorsement?
10. What is the accounting treatment for provision for bad debts?

(1X8=8)

Section B

Answer any six of the following questions in two or three sentences each. Each question carries 2 marks.

11. Explain the term accounting period concept.
12. Describe the features of partnership.
13. Explain in detail the factors affecting Depreciation.

14. What is an indirect expense? Explain with examples.
15. Who is a sleeping partner?
16. What is meant by acceptance of bill?
17. Explain the concept 'noting and protesting'.
18. Explain the different ways a partner can retire from a partnership firm.

(2X6=12)

Section C

Answer any six of the following questions in one page each. Each question carries 5 marks.

19. Describe the limitations of accounting standards.
20. What are the rules applicable in the absence of a partnership deed?
21. Differentiate bills receivable books from bills payable book.
22. What is the difference between profit and loss account and profit and loss appropriation account prepared in the case of a partnership firm?
23. Explain in detail the causes of obsolescence.
24. X, Y and Z are partners sharing profits in the ratio of 5:3:2. Z retires and the goodwill is valued at Rs. 50,000. Give entries in the books of the firm regarding treatment of goodwill.
25. A and B are partners sharing profit and loss account equally. Their capitals on 1st January 2023 were A –Rs. 20,000, B-Rs. 50,000. Calculate interest on capital at 6% per annum for the year ending 31st December 2023.
26. From the following information, mention the type and the two affected accounting elements
b1

- | | |
|-------------------------------|-------|
| 1. Started business with cash | 30000 |
| 2. Purchased goods | 20000 |
| 3. Purchased furniture | 40000 |
| 4. Sold goods for cash | 20000 |
| 5. Paid Salary | 30000 |

(5X6=30)

Section D

Answer any two of the following questions in three pages each. Each question carries 10 marks.

27. Explain in detail the methods of valuation of goodwill.

QP CODE B1005

28. Explain in detail the various components of final accounts a sole proprietor.

29. The following is the trial balance of Ram as on 31st December 2024.

Particulars	Dr	Cr
Capital		47,500
Stock	9,000	
Premises	12,000	
Purchases	28,000	
Sales		42,000
Purchase returns		550
Sales returns	450	
Wages	1,000	
Carriage inwards	450	
Salaries	700	
Bills Receivable	9,500	
General expenses	500	
Discount	400	
Drawings	800	
Sundry Debtors	5,150	
Cash at bank	16,690	
Insurance	360	
Commission		300
Bills payable		7,500
Creditors		2,150
Furniture		
Plant and Machinery	2,000	
	13,000	
	1,00,000	1,00,000

Additional Information

1. Stock in hand as on 31st December 2024 Rs 11,500
2. Wages outstanding Rs 200
3. Salary outstanding Rs 300
4. Rent due but not paid Rs 4,000

Prepare trading and Profit and Loss Account for the year ending 31st December, 2024 and a Balance sheet as on that date

30. Mr Das Raj started a business on 1 March 2024 by introducing Rs 40,000 as his capital. The following are the remaining transaction during the month of March. You are required to pass journal entries.

2024 March 1	Plant purchased	Rs 25000
”	2 Purchased goods from Joy	Rs 40000
”	3 Sold goods	Rs 20000
”	5 Paid to Joy	Rs 10000
”	6 Returned goods to Joy	Rs 1000
”	8 Purchased goods for cash	Rs 4000
”	10 Furniture purchased	Rs 1400
”	13 Paid Interest on loan	Rs 400
”	14 Drew for personal Use	Rs 1000

(10X2=20)