BCO-13

Sl.No. :

Total No. of Pages : 4

First Year B.Com. Degree Examination, May - 2026

(SLM Scheme)

FINANCIAL ACCOUNTING - I

Time : 3 Hours **Max. Marks : 80**

Part - A

Answer any four questions. Each question carries 5 marks : [4 × 5 = 20]

1) Define Accounting. State any three differences between book keeping and accounting.

2) What is bill of exchange?

3) What are the features of single entry system?

4) Write a note on del-credere commission and over-riding commission.

5) Journalise the following transactions :

		₹
2025		
Jan. 1	Govind started his business with the following	
	Cash	10000
	Goods	20000
	Furniture	5000
Jan. 8	Sold goods to Ramya	6000
Jan. 17	Sold goods for Cash	3000
Jan. 25	Purchased goods from Mukundan	5000
Jan. 31	Paid to Mukundan	3000

6) From the following particulars, prepare Total Debtors Account.

	₹
Debtors on 01-01-2025	50,000
Cash received from debtors	1,60,000
Discount allowed	3,000
Return inwards	1,000
Bad debts	5,000
Debtors on 31-12-2025	36,000

Part - B

Answer any three questions. Each question carries 10 marks: [3 × 10 = 30]

7) Explain the accounting conventions.

8) Distinguish between receipts and payments account and income and expenditure account.

9) What is meant by bank reconciliation statement? State the causes for differences in the balance of cash and pass book.

10) Enter the following transactions in the three column cash book
2025

		₹
Jan. 1	Cash in hand	3200
Jan. 1	Cash at Bank	22800
Jan. 2	Received for sale of machinery	8000
Jan. 4	Paid to Ramesh by cheque	7440
	and discount received	160
Jan. 10	Paid for cash purchases	1200
Jan. 12	Received from Suresh a cheque	7800
Jan. 15	Paid into bank to clear the above cheque	200
Jan. 20	Paid for office expenses	1400
Jan. 25	Cash Sales	3800
Jan. 31	Paid salary by cheque	1000

11) Surya accepts a three months bill for ₹50,000 dated 1 April, 2025 drawn on him by Chandra. On 4th May 2025. Chandra discounts the bill with his bankers at 8%. On 20th June, 2025. Surya being unable to meet the bill, approaches Chandra with ₹5,000 cash and asks him to draw a new bill for three months for the balance plus interest at 8% p.a. Chandra agree to this arrangement and draws a new bill on Surya on 20th June, 2025. The second bill was honoured by Surya on the due date.

Pass journal entries in the books of Chandra.

Part - C

Answer any two questions. Each question carries 15 marks : [2 × 15 = 30]

12) Explain the accounting concepts.

13) What is joint venture? Distinguish between joint venture and partnership.

14) The following is the trial balance of Harsha Traders as on 31-03-2025.

Particulars	Dr. (₹)	Cr. (₹)
Drawings and capital	20000	175000
Bank overdraft	-	30000
Debtors and Creditors	80,000	51000
Machinery	80,000	-
Furniture and fittings	26,000	-
Stock on 01-04-2024	120000	-
Purchases and sales	480000	740000
Returns	20000	10000
Wages	45000	-
Salaries	22000	-
Rent	7800	
Insurance	2400	
Adverstising	12000	
Carriage inwards	12000	
Carriage outwards	10000	
Investments	10000	
Interest on overdraft	3600	
Interest on investments	-	6000
Discounts	13000	8000
Commission paid	12200	-
General expenses	7300	
Bad debts	1700	
Cash in hand	5000	
Buildings	30000	
	10,20,000	10,20,000

Adjustments :

a) Closing stock was valued at ₹1,50,000

b) Create a provision for doubtful debts at 5% on debtors.

c) Depreciate Machinery by 15% and furniture by 10% p.a.

d) Goods costing ₹13000 was destroyed by fire and insurance company agreed to pay the insurance claim for ₹10,000.

Prepare final accounts

15) Anand Traders, Mumbai consigned 200 mobiles costing ₹.20,000 each to Sangeetha mobiles, Benguluru at an invoice price of 20% above the cost. Anand Traders paid ₹. 28,000 for packing, ₹.30,000 for carriage and ₹.45,000 as insurance.

Sangeetha Mobiles took delivery and paid ₹20,000 as tax and ₹10,000 for clearing charges. They paid ₹5,00,000 as advance.

Sangeetha mobiles reported that 120 mobiles were sold at ₹.26,000 each for cash and 70 mobiles at ₹.27,000 each on credit basis. Other expenses incurred by Sangeetha mobiles were Rent ₹.20,000, Salesman salary ₹.20,000 and advertising ₹.3,000.

They are entitled to ordinary Commission at 5% on all sales and del-credere Commission at 3% on credit sales

Prepare necessary ledger accounts in the books of Anand Traders.

