



KERALA AGRICULTURAL UNIVERSITY
B. Sc. (Hons.) C & B 2018 Admission
II Semester Final Examination-August-2019

Mgmt.1202

Fundamentals of Financial Accounting (1+2)

Marks: 50
Time: 2 hours

I Fill in the blanks

(10x1=10)

- 1 The.....concept makes a distinction between business and the proprietor.
- 2 Cash book shows a.....balance when there is overdraft.
- 3 Asset account will always have.....balance.
- 4 Trade mark is an example of.....
- 5 Expenses which have been paid in advance are called.....expenses.
- 6is used to record all small cash payments.
- 7 A bank reconciliation statement is prepared by.....
- 8 are assets which can be converted into cash quickly.
- 9 Income received in advance will appear in balance sheet as.....
- 10 The outstanding salary account appears in the trail balance is taken only to the.....

II Write short notes on ANY FIVE of the following

(5x2=10)

- 1 Deferred revenue expenditure.
- 2 Accounting.
- 3 Journal proper.
- 4 How do you treat accrued income in final accounts?
- 5 Adjusting entries.
- 6 Outstanding expense.
- 7 Cash discount.

III Answer ANY FIVE of the following

(5x4=20)

- 1 Advantages of imprest system of petty cash book.
- 2 Accounting Concepts.
- 3 Features of Profit and Loss Account.
- 4 Causes of depreciation.
- 5 Why should companies comply with IFRS?
- 6 Main objectives of accounting.
- 7 From the following particulars of M/s Sreeram Traders, prepare a bank reconciliation statement on June 30, 2017.
 - 1 Balance as per the cash book ₹ 31000.
 - 2 Cheque issued but not presented for payment ₹ 4750.
 - 3 ₹ 250 charges for credit card fee is debited by bank, which is not recorded in cash book.
 - 4 Cheques for ₹ 7550 are deposited in the bank but not yet collected by the bank.
 - 5 There was also a debit in the pass book of ₹ 3500 in respect of a discounted bill dishonoured.

IV Write an essay on ANY ONE of the following

(1x10=10)

- 1 What are subsidiary books? Explain the advantages of subsidiary books.

P T O

- 2 From the following Trail balance of Mr. Raj and other particulars given, Prepare Trading and Profit and Loss Account and Balance Sheet for the year ended 31st December 2018.

Trial Balance as on 31st December 2018

Particulars	Dr. Amount ₹	Cr. Amount ₹
Opening Stock	45000	
Capital		90000
Machinery	85000	
Premises	75000	
Purchases	150000	
Salaries	14000	
Debtors	55000	
Furniture	7500	
Wages	30000	
Creditors		43000
Carriage inwards	2000	
Carriage outwards	2100	
Factory expenses	25000	
Bad debts	750	
Discount received		3500
Purchase returns		1500
Interest	625	
Rent	750	
Insurance premium	1500	
Cash at bank	845	
Sales		337070
Bank overdraft		20000
Total	495070	495070

Additional Information:-

- 1 Closing Stock ₹ 57000.
- 2 Outstanding interest on overdraft ₹ 1000.
- 3 Insurance premium prepaid ₹ 500.
