

The Assets and Liabilities on 1.1.2012 were:

Utensils Rs. 800, Furniture Rs. 2,500,
Consumable stores Rs. 350, Creditors
Rs. 1,200. On 31.12.2012 value of
Consumable Stores was Rs. 700, creditors
amounted to Rs. 550, the subscription
outstanding were Rs. 75 and the interest
accrued on fixed deposits was Rs. 25.

Reg. No. :

Code No. : 20505 E Sub. Code : CMCA 32

B.C.A. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2023

Third Semester

Computer Application – Core

FINANCIAL ACCOUNTING

(For those who joined in July 2021–2022 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. The objects of book-keeping is to calculate
_____ of the business during a particular
period.

- | | |
|---------------|--------------------|
| (a) Sales | (b) Profit or loss |
| (c) Purchases | (d) Depreciation |



2. Debit what comes in, credit what goes out is rule for
- (a) Personal account
 - (b) Real account
 - (c) Nominal account
 - (d) Representative personal account
3. _____ is a book in which business transactions are recorded.
- (a) Firm
 - (b) Journal
 - (c) Business
 - (d) None of these
4. A sale of goods to Ram for cash should be debited to
- (a) Ram a/c
 - (b) Cash a/c
 - (c) Sales a/c
 - (d) Goods a/c
5. In profit and loss account, if credit is more than the debit, the difference is
- (a) Net profit
 - (b) Net loss
 - (c) Gross profit
 - (d) Gross loss
6. Net profit is added to _____.
- (a) Capital
 - (b) Drawings
 - (c) Fixed assets
 - (d) Sales

7. Assets which are acquired and held permanently and used in the business with the objective of making profits is known as
- (a) Fixed assets
 - (b) Current assets
 - (c) Intangible assets
 - (d) Fictitious assets
8. Drawing must be deducted from _____.
- (a) Capital
 - (b) Net profit
 - (c) Gross profit
 - (d) None of these
9. Income and expenditure account reveals _____.
- (a) Cash in hand
 - (b) Capital account
 - (c) Surplus or deficiency
 - (d) None of these
10. Receipts and payment account record receipt and payments of _____.
- (a) Revenue nature only
 - (b) Capital nature only.
 - (c) Both revenue and capital nature
 - (d) Capital receipts



PART B — (5 × 5 = 25 marks)

Answer ALL questions by choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) Explain the various branches of accounting.

Or

- (b) Discuss about Business Entity Concept and Money Measurement concept.

12. (a) State the relationship between Journal and ledger.

Or

- (b) Journalise the following transactions.

2018		Rs.
Jan 3	Received cash from Ram	15,000
4	Purchased goods for cash	2,500
11	Sold goods to Hari	3,200
13	Paid Ramesh	1,400
17	Received from Hari	1,100
20	Bought furniture from Ram	2,200

13. (a) Define Trail Balance. List the methods of preparing trail balance.

Or

- (b) Prepare Trial Balance from the following

	Rs		Rs
Capital	80,000	Prepaid expenses	4,000
Opening stock	28,000	Loan from Ravi	20,000
Purchase	90,000	Salary	12,000
Plant and machinery	70,000	Sundry debtors	12,000
Sales	1,20,000	Sundry creditors	4,000
Cash in hand	10,000	Income received in advance	2,000

14. (a) Prepare a trading account from the following:

	Rs.
Opening stock	3,600
Goods purchased	18,260
Purchase Returns	900
Sales	32,000
Sales return	700
Freight and Packaging	900
Interest charges	1,000
Closing stock	4,420

Or



- (b) Ms. Supraja provides the following information. Prepare a Trading and Profit and Loss account and a Balance sheet as on 31st December 2016.

	Rs.
Opening stock	30,000
Sales	60,000
Salaries	8,000
Wages	4,000
Creditors	3,000
Sales return	5,000
Purchase return	3,000
Computer	49,000
Purchases	20,000
Capital	50,000

Additional Information:

- (i) Closing stock Rs. 20,000
(ii) Outstanding wages Rs. 500

15. (a) What is Income and Expenditure account? Explain its features.

Or

- (b) Prepare Receipts and Payments a/c for a club for the year ended 31st March 2015 from the following particulars.

	Rs.		Rs.
Opening balance of cash	40,000	Rent paid	1,200
Receipts of entrance fees	8,000	Payment for purchaser of cricket balls	500
Subscriptions received for 2015	16,000	Payment for purchaser of cricket bats	1,600
Previous year's subscriptions received	1,600	Payment for stationary in cash	100
Paid salaries	2,000	Paid for miscellaneous expenses	200



PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Enumerate the various accounting conventions.

Or

- (b) Briefly explain the accounting rules with suitable examples.

17. (a) Describe about various kinds of subsidiary books.

Or

- (b) Journalise the following transactions:

2019		Rs.
December 5	Bought goods for Cash from Somu	1,700
9	Sold good to Selvam on Credit	1,700
10	Returned damaged goods to Sami	50
11	Paid Wages	85
15	Received Commission	70
18	Sold goods to Kannan for Cash	200
20	Cash Sales	500

18. (a) What are the different methods of preparing trail balance?

Or

- (b) Prepare a trial balance of Shri. Babu as on March, 31, 2016

Capital	9,20,000	Buildings	7,00,000
Creditors	1,88,520	Machinery	1,20,000
Bills payable	69,300	Furniture	16,400
Sales	12,18,500	Debtors	1,56,000
Provisions for Doubtful debts	13,200	Opening Stock	1,50,400
Interest (Cr.)	3,400	Cash in hand	9,880
Cash at Bank	1,45,340	Insurance	7,830
Bills Receivable	58,440	Bad Debts	6,130
Purchases	8,55,220	Travelling expenses	3,250
Carriage inwards	12,910	Audit Fees	4,000
Carriage outwards	8,000	Discounts (Dr.)	6,200
General expenses	60,850	Investments	89,220
Sales Returns	2,850		



19. (a) The following ledger balances were extracted from the books you are required to prepare trading and profit and loss accounts and balance sheet as on 31st Mar 2008.

Debit Balance	Rs.	Credit Balance	Rs.
Drawings	2,000	Capital	10,000
Purchases	20,800	Sales	27,500
Stock on 1.4.2007	6,900	Creditors	8,100
Rent	1,000	Discount	270
Furniture	900	Return outwards	580
Machinery	5,000	Bank loan	3,000
Travelling expenses	650		
Bad debts	120		
Return inwards	300		
Carriage inwards	400		

Wages	325	
Salaries	900	
Interest	480	
Carriage outwards	700	
Insurance	900	
Cash in hand	575	
Debtors	7,500	
	<u>49,450</u>	<u>49,450</u>

Adjustments:

- Closing stock was valued at Rs. 8900
- Insurance prepaid Rs. 250
- Outstanding salaries Rs. 100 and outstanding rent Rs. 200
- Depreciate machinery and furniture by 10% each
- Provide for doubtful debts at 5% on debtors.

Or



- (b) The following ledger balances were extracted from the books you are required to prepare trading and profit and loss accounts and balance sheet as on 31st Mar 2008.

Debit balance	Rs.	Credit balance	Rs.
Salaries	5,500	Creditors	9,500
Rent	1,300	Sales	32,000
Cash	1,000	Capital	30,000
Debtors	40,000	Loans	10,000
Trade expenses	600		
Purchases	25,000		
Advances	2,500		
Bank balance	5,600		
	<u>81,500</u>		<u>81,500</u>

Adjustments:

- Closing stock was valued at Rs. 9,000
- One month's salary outstanding
- One month's rent has been paid in advance
- Provide 5% for doubtful debts

20. (a) Differentiate between Income and Expenditure account and Profit and Loss account.

Or

- (b) From the following Receipts and Payment A/c of the Recreation club and the sub joint information prepare the income and expenditure a/c for the year ended 31.12.2012 and the Balance Sheet as on that date.

Receipts and Payment Account

Receipts	Rs.	Payments	Rs.
To Balance b/d	2,350	By Salaries	1,200
To Entrance Fees	300	By Electricity	120
To Subscriptions:		By News papers	525
2011 – 50			
2012 – 3,500			
2013 – 75	3,625	By Fixed deposits	2,500
To Profit from refreshments	100	By Utensils	200
To Locket Rent	200	By Payment to creditors	1,000
To Sundry income	120	By Balance c/d	1,150
	<u>6,695</u>		<u>6,695</u>

