

KAMARAJ COLLEGE (Autonomous)

Accredited with A+ Grade by NAAC

(Affiliated to Manonmaniam Sundaranar University, Tirunelveli)

THOOTHUKUDI – 628 003

(10 Pages)

Reg. No:

Question. Code No : 25E00407 Sub Code : 24UMCO11/24UMBE11

24UMBF11/24UMCR11

UG Degree - End Semester Examinations, April 2025

First Semester

B.COM

Major - Financial Accounting - I

(For those who joined in July 2024 onwards)

Time : 3Hours

Maximum : 75 Marks

PART – A ($10 \times 1 = 10$ Marks)

Answer ALL Questions

Choose the correct answer :

1. In which accounting concept, all transactions are expressed in money.
(a) Money measurement concept

- (b) Accounting personal concept
 - (c) Going concern concept
 - (d) Cost concept
2. Capital is also known as
- (a) Creditors equality
 - (b) Owner's equality
 - (c) Total assets
 - (d) Total liabilities
3. The Difference between the selling price and the cost price of the goods is the
- (a) Gross profit
 - (b) Net profit
 - (c) Net liability
 - (d) Net loss
4. Prepaid expenses account is a
- (a) Personal A/c
 - (b) Real A/c
 - (c) Nominal A/c
 - (d) None
5. The basis of depreciation is the _____ price.
- (a) Cost
 - (b) Market
 - (c) Depreciation
 - (d) None
6. _____ is one of the causes of depreciation.
- (a) Obsolescence
 - (b) Unusage
 - (c) Maintenance
 - (d) Proper service
7. Bills payable book is a
- (a) Journal
 - (b) Ledger
 - (c) Account
 - (d) Cash

8. Surplus arises when the royalty exceeds
- (a) Minimum rent (b) Short working
- (c) Output (d) None
9. Fire insurance provides cover for
- (a) Tangible asset (b) Intangible assets
- (c) Fictitious asset (d) Current asset
10. Tax authorities do not accept _____ method of account keeping.
- (a) Single entry system (b) Double entry system
- (c) Triple column cash book (d) Double column cash book

PART – B (5X5=25 Marks)

Answer ALL Questions choosing either (a) or (b).

Answer should not exceed 250 words.

11. (a) What are the difference between trade discount and cash discount?

(OR)

- (b) Prepare trail balance from the following
- Capital Rs. 9,000, Plant & Machinery Rs. 12000,
- Purchases Rs. 8,000, Sales Rs. 12,000 Sundry Creditors
- Rs. 8,000, Bank Loan Rs. 22,000, Rent outstanding Rs.

1,000, Opening stock Rs. 2,000, Sales return Rs. 4,000,
Investment Rs. 14,000, Debtors Rs. 12,000

12. (a) Draw a specimen form of Balance sheet.

(OR)

(b) From the following find out the net profit of the business.

Gross profit	Rs. 47,560	Salaries	Rs. 4,400
Interest Received	Rs. 4,000	Dividend Received	Rs. 440
Rent	Rs. 1,500	Postage	Rs. 600
Stationary	Rs. 500	Carriage on sales	Rs. 2,000
Repair	Rs. 1,700	Bad Debts	Rs. 500

13. (a) What are the causes of depreciation?

(OR)

(b) A Sold goods to B for Rs.5,000 on 01.01.2021.

A Draw a bill of 3 months for Rs.5,000 and B Accepted the same and returned it to A.

A discontinued the Bill at 6% p.a on 05.01.2021

On the due date, B requested A to Renew the bill for a further period of 2 months and paid Rs.200 at interest on the due date, The bill is honoured. Give journal entries in the book of A.

14. (a) Calculate the missing figure

Closing Capital Rs.18,200

Drawings Rs.2,800

Additional Capital – Rs.4,700

Loss – Rs.1,400

Opening Capital?

(OR)

- (b) What are the features of a single entry system?

15. (a) What is meant by short workings? How is it adjusted?

(OR)

- (b) A fire occurred on the premises of a merchant on 15.06.2021 and a considerable part of the stock was destroyed.

The Value of stock saved was Rs.4,500

On 01.04.2021

Opening stock Rs.36,750

Purchase Rs.1,04,940

Sales Rs. 1,56,950

Average rate of Gross profit – 36%. Calculate the value of stock salvaged.

PART – C (5 X 8 = 40 Marks)

Answer ALL Questions choosing either (a) or (b).

Answer should not exceed 500 words.

16. (a) Explain the accounting concepts briefly.

(OR)

(b) From the following particulars of Jothi & Co, Prepare bank Reconciliation statement as on 31.07.2022.

Balance as per cash book Rs. 10,500

Cheque issued by not presented for payment Rs. 17,200

Bill discounted dishonoured but not recorded in the cash book Rs. 5,500

Bank Charge, Rs.1,800

Cheque deposited but not yet collected Rs. 5,200

Dividend collected by the bank but not recorded in the cash book Rs. 1,650

Deposit made by a debtors directly into the bank but the recorded in the cash book Rs. 4,000

Payment made by the bank recorded in the bank book only Rs. 1,950

17. (a) From the following trial balance, Prepare final account for the year ended December 2020.

Particulars	Debit (Rs.)	Credit (Rs.)
Cash in hand	20,000	
Debtors	25,000	
Creditors		10,000
Stock on 01.01.2020	52,000	
Capital		4,00,000
Sales		25,000
Purchase	1,50,000	
Rent	15,000	
Insurance	3,000	
Drawings	50,000	
Machinery	2,80,000	
Bank	45,000	
	66,000	66,000

Adjustments

- i) Stock on 31.12.2020 is Rs. 49,000

- ii) Salaries unpaid Rs. 3,000
- iii) Rent paid in advance Rs. 2,000
- iv) Insurance prepaid Rs.900

(OR)

(b) Analyse the differences between a balance sheet and a trial balance?

18. (a) On 01.07.2022 Santhosh & Co purchased a Machinery for Rs.12,000 and spent Rs.5000 on its installation depreciation in written off at 10% pa on written down value method. The company closes its book on Dec 31st Every year. Show the machinery account for the year 2022, 2023 and 2024.

(OR)

(b) What are the features of a bill of exchange?

19. (a) What are the difference between single entry system and double entry system?

(OR)

(b) The Following are the balance extracted from the books of Thiru.Patel as on 31.03.2020. Prepare trading and profit and loss account for the year ended on 31.03.2020 and a balance sheet as on that date.

Particulars	Rs.	Rs.
Capital	-	1,00,000
Opening Stock	20,000	-
Machinery	50,000	-
Purchases	70,000	-
Purchase of return	-	1,000
Sales	-	90,000
Sales Return	1,000	-
Wages	2,000	-
Salaries	5,000	-
Office Rent	2,000	-
Insurance	1,000	-
Sundry Debtors	40,000	-
Sundry Creditors	-	29,000
Cash	4,000	-
Bank	25,000	-
	2,20,000	2,20,000

Adjustments

- i) Closing stock is valued at Rs.20,000
- ii) Outstanding salaries Rs.1000
- iii) Prepaid insurance Rs.500
- iv) Bad debts Rs.1000
- v) Provide 10% depreciation on machinery

20. (a) From the following information, prepare royalty A/c and short working account in the Book of Green Ltd.,
Minimum rent Rs.15000 p.a
Royalty Rs.3 per ton
Short workings Recoupment power subsequent two years after the year of occurrence. Special provision for lock out proportionate reduction in minimum rent.
Production in the year
2012 – 4000 tonne
2013 – 5000 tonne
2014 – 5500 tonne
2015 – 3000 tonne
2016 – 6000 tonne
In 2015 there was 3 month lock out.

(OR)

- (b) Discuss in brief the ascertainment of claim for loss of profit as a result of fire.