

Reg. No. : .....

**Code No. : 31031 E Sub. Code : EMCO 11/  
EMHO 11**

**B.Com. (CBCS) DEGREE EXAMINATION,  
NOVEMBER 2025.**

## First Semester

## Commerce/Honours — Core

## FINANCIAL ACCOUNTING — I

(For those who joined in July 2023 onwards)

Time : Three hours Maximum : 75 marks

**PART A — (10 × 1 = 10 marks)**

Answer ALL questions.

Choose the correct answer :

1. In double entry system of book keeping, every business transaction affects

- (a) Minimum of two accounts
- (b) Same account on two different dates
- (c) Two sides of the same account
- (d) Minimum three accounts

2. A bank reconciliation statement is prepared by

- (a) Bank
- (b) Business
- (c) Debtor to the business
- (d) Creditor to the business

3. Depreciation is \_\_\_\_\_ from the fixed assets in the assets side of the balance sheet.

- (a) Multiplied
- (b) Divided
- (c) Added
- (d) Subtracted

4. Capital expenditures are recorded in

- (a) Trading a/c
- (b) Profit and Loss a/c
- (c) Balance Sheet
- (d) All of these

5. Which of the following is a cause of depreciation?

- (a) Wear and tear
- (b) Passage of time
- (c) Obsolescence
- (d) All of the above

6. Depreciation is a type of

- (a) Capital expenditure
- (b) Revenue expenditure
- (c) Deferred revenue expenditure
- (d) Liability

7. Incomplete records are generally maintained by

- (a) A company
- (b) Government
- (c) Small sized sole trader business
- (d) Multinational enterprises

8. The amount of credit sales can be computed from

- (a) Total debtors account
- (b) Total creditors account
- (c) Bills receivable account
- (d) Bills payable account

9. Which of the following is an example of royalty?

- (a) Rent paid for a building
- (b) Payment for copyright usage
- (c) Salary paid to employees
- (d) None of these

10. Short workings can be recovered within

- (a) Any number of years
- (b) The agreed period in the contract
- (c) The first year only
- (d) Never recoverable

PART B — (5 × 5 = 25 marks)

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

Each answer should not exceed 250 words.

11. (a) State any five causes of disagreement between the balance as per bank column of cash book and bank statement.

Or

(b) Journalise the following transactions.

2023 Jan 1 Started business with cash Rs.3,00,000

- 2 Purchased goods from Rajiv on credit Rs.1,00,000
- 3 Cash deposited with the bank Rs.2,00,000
- 20 Borrowed loan from bank Rs.1,00,000
- 22 Withdrawn from bank for personal use Rs.800

12. (a) What is the need for preparing profit and loss account?

Or

(b) From the following details for the year ended 31<sup>st</sup> March, 2018, prepare trading account. Opening stock Rs. 2,500; Purchases Rs. 27,000; Sales Rs.40,000, Wages Rs.2,500; Returns outwards Rs.5,200; Returns inwards Rs.7,000; Coal and gas Rs. 3,300; Carriage inwards Rs.2,600; Closing stock Rs. 5,200.

13. (a) A firm purchased a plant for Rs.40,000. Erection charges amounted to Rs.2,000. Effective life of the plant is 5 years. Calculate the amount of depreciation per year under straight line method.

Or

(b) Explain the concept of renewal of a bill and its accounting treatment.

14. (a) What is a statement of affairs?

Or

10. Please list 2 different production methods  
you used for this  
product. (e.g. hand made, machine  
made, etc.)

11. What about recycling?

12.

13. Please list different colors for the product  
you made.

14. (100%) = 100% (100%)

Question 15: (100%) = 100% (100%)

What percentage (100%) did you make?

16. (100%) = 100% (100%)

17.

18. (100%) = 100% (100%)

19. (100%) = 100% (100%)

20. (100%) = 100% (100%)

21. (100%) = 100% (100%)

22.

23. (100%) = 100% (100%)

24. (100%) = 100% (100%)

25. (100%) = 100% (100%)

26. (100%) = 100% (100%)

27. (100%) = 100% (100%)

28. (100%) = 100% (100%)

29. (100%) = 100% (100%)

30. (100%) = 100% (100%)

31. (100%) = 100% (100%)

32. (100%) = 100% (100%)

33. (100%) = 100% (100%)

34. (100%) = 100% (100%)

35. (100%) = 100% (100%)

36. (100%) = 100% (100%)

37. (100%) = 100% (100%)

38. (100%) = 100% (100%)

39. (100%) = 100% (100%)

40. (100%) = 100% (100%)

41. (100%) = 100% (100%)

42. (100%) = 100% (100%)

43. (100%) = 100% (100%)

44. (100%) = 100% (100%)

| Particulars       | Debit (₹)       | Credit (₹)      |
|-------------------|-----------------|-----------------|
|                   | Rs.             | Rs.             |
| Rent              | 12,000          | —               |
| Discount Allowed  | 2,000           | —               |
| Discount Received | —               | 3,500           |
| Furniture         | 25,000          | —               |
| Machinery         | 50,000          | —               |
| Trade Debtors     | 40,000          | —               |
| Trade Creditors   | —               | 35,000          |
| Cash in Hand      | 5,500           | —               |
| Bank Balance      | 15,000          | —               |
| Carriage Inward   | 3,500           | —               |
| Bills Payable     | —               | 12,000          |
| <b>Total</b>      | <b>8,06,000</b> | <b>3,06,000</b> |

Adjustments :

- (i) Closing stock is valued at Rs. 40,000.
- (ii) Depreciate Furniture by 10% and Machinery by 5%
- (iii) Prepaid rent Rs. 2,000.
- (iv) Outstanding salaries Rs. 3,000.

18. (a) What are the differences between a bill of exchange and promissory note?

Or

(b) On 1<sup>st</sup> April 2008, Sudha and Company purchased machinery for Rs.64,000. To install the machinery expenses incurred was Rs.28,000. Depreciate machinery 10% p.a. under straight line method. On 30<sup>th</sup> June, 2010 the worn out machinery was sold for Rs.52,000. The books are closed on 31<sup>st</sup> December every year. Show machinery account.

19. (a) Differentiate between statement of affairs and balance sheet.

Or

(b) Ajay does not keep proper books of accounts. Following details are given from his records.

| Particulars      | 1.4.2023 | 31.03.2024 |
|------------------|----------|------------|
| Cash             | 43,000   | 29,000     |
| Stock            | 1,20,000 | 1,30,000   |
| Sundry Debtors   | 84,000   | 1,10,000   |
| Sundry Creditors | 1,05,000 | 1,02,000   |

| 1. <u>प्रारंभिक विवरण</u> | 2. <u>प्रारंभिक विवरण</u> | 3. <u>प्रारंभिक विवरण</u> |
|---------------------------|---------------------------|---------------------------|
| 1. विवरण                  | 2. विवरण                  | 3. विवरण                  |
| 4. विवरण                  | 5. विवरण                  | 6. विवरण                  |
| 7. विवरण                  | 8. विवरण                  | 9. विवरण                  |

Percentage of the sample that preferred each of the four categories of the 100% fruit juice was as follows: 100% fruit juice, 40%; 100% fruit juice with added fruit juice, 30%; 100% fruit juice with added fruit juice and added fruit pulp, 20%; and 100% fruit juice with added fruit pulp, 10%.

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