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G. VENKATASWAMY NAIDU COLLEGE (AUTONOMOUS), KOVILPATTI – 628 502.



UG DEGREE END SEMESTER EXAMINATIONS - NOVEMBER 2024.

(For those admitted in June 2023 and later)

PROGRAMME AND BRANCH: B.COM., BUSINESS ANALYTICS

SEM	CATEGORY	COMPONENT	COURSE CODE	COURSE TITLE
I	PART - III	CORE - 1	U23BA101	FINANCIAL ACCOUNTING I

Date & Session: 09.11.2024 / FN

Time : 3 hours

Maximum: 75 Marks

Course Outcome	Bloom's K-level	Q. No.	SECTION - A (10 X 1 = 10 Marks) Answer <u>ALL</u> Questions.
CO1	K1	1.	A ledger is called a book of. a) Primary entry b) Final entry c) Original entry d) None of the above
CO1	K2	2.	Bank reconciliation statement compares a bank statement with. a) Cash payment journal b) Cash receipt journal c) Financial statements d) Cash book
CO2	K1	3.	Distribution of samples (free) is entered in _____. a) debit side of trading a/c b) debit side of p & l a/c c) both trading and p & l a/c d) none of the above
CO2	K2	4.	Trading account prepared to find out. a) Gross profit or loss b) Net profit or loss c) Financial position d) Wealth of a business
CO3	K1	5.	According to straight line method of providing depreciation, the depreciation. a) remains constant b) increase each year c) decrease each year d) none of the above
CO3	K2	6.	A bill of exchange cannot be. a) Endorsed b) Crossed c) Accepted d) extended
CO4	K1	7.	Statement of affairs is prepared from. a) Valuations b) Information from inquiry c) Balances d) All the above
CO4	K2	8.	Total creditors account shows _____. a) Credit Purchases b) Cash Purchases c) Credit Sales d) Cash Sales
CO5	K1	9.	The average clause in a loss of profits policy protects the interest of the _____. a) insured b) insurer c) workers d) tax authorities
CO5	K2	10.	Royalty is the agreement between the following persons a) seller and buyer b) banker and customer c) Trustee and beneficiaries d) Landlord and tenant
Course Outcome	Bloom's K-level	Q. No.	SECTION - B (5 X 5 = 25 Marks) Answer <u>ALL</u> Questions choosing either (a) or (b)
CO1	K3	11a.	Journalise the following transactions. 2022 Jan 1 Balan started business with a capital of ₹ 10,000 4 Bought goods from Velan ₹ 6,750 7 Cash purchases ₹ 3,000 10 Paid Velan ₹ 2,400

			<p>12 Paid salaries ₹ 1,250 15 Cash sales ₹ 2,000 24 Sold goods to Gopi ₹ 500 27 Received cash from Gopi ₹ 200</p> <p style="text-align: center;">(OR)</p>																																
CO1	K3	11b.	<p>The following errors were found in the books of Prabhakar & Sons. Give the necessary rectification entries to correct them.</p> <p>a. Salary of ₹ 1,000 paid to Mohan due to him has been debited to his personal account. b. ₹ 1,500 paid in cash for a typewriter was charged to the office expenses account. c. ₹ 5,000 paid for furniture purchased has been charged to the purchase account. d. Repairs made were debited to building account for ₹ 250. e. An amount of ₹ 500 withdrawn by the proprietor for his personal use has been debited to the trade expenses account.</p>																																
CO2	K3	12a.	<p>The Provision for Bad and Doubtful debts account shows a balance of ₹ 4,000 on 1st January 2022. The Bad debts during the year 2022 amount to ₹ 3,200. The sundry debtors on 31st December 2022 are ₹ 64,000. Create a new provision for Bad debts @ 5%. How would you treat this provision for bad doubtful debts in Profit & Loss account and Balance Sheet?</p> <p style="text-align: center;">(OR)</p>																																
CO2	K3	12b.	<p>From the following information of Meena Kumari Enterprises, Calculate Gross Profit and Net Profit by preparing Trading and Profit & Loss account.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Details</th> <th style="width: 10%;">₹</th> <th style="width: 50%;">Details</th> <th style="width: 10%;">₹</th> </tr> </thead> <tbody> <tr> <td>Purchases</td> <td style="text-align: right;">20,000</td> <td>Sales</td> <td style="text-align: right;">1,00,000</td> </tr> <tr> <td>Opening stock</td> <td style="text-align: right;">10,000</td> <td>Salaries</td> <td style="text-align: right;">6,000</td> </tr> <tr> <td>Wages</td> <td style="text-align: right;">2,000</td> <td>Fuel</td> <td style="text-align: right;">2,000</td> </tr> <tr> <td>Carriage inwards</td> <td style="text-align: right;">1,000</td> <td>Carriage outwards</td> <td style="text-align: right;">1,500</td> </tr> <tr> <td>Discount received</td> <td style="text-align: right;">2,000</td> <td>Interest paid</td> <td style="text-align: right;">3,000</td> </tr> <tr> <td>Rent paid</td> <td style="text-align: right;">6,000</td> <td>Postage and Telegram</td> <td style="text-align: right;">700</td> </tr> <tr> <td>Printing and stationery</td> <td style="text-align: right;">200</td> <td>Bad debts</td> <td style="text-align: right;">2,700</td> </tr> </tbody> </table>	Details	₹	Details	₹	Purchases	20,000	Sales	1,00,000	Opening stock	10,000	Salaries	6,000	Wages	2,000	Fuel	2,000	Carriage inwards	1,000	Carriage outwards	1,500	Discount received	2,000	Interest paid	3,000	Rent paid	6,000	Postage and Telegram	700	Printing and stationery	200	Bad debts	2,700
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CO3	K4	13a.	<p>A Ltd. purchased a 5 years lease on 1 April 2013 for ₹ 5,00,000. It is decided to write off depreciation on lease using the Annuity Method. The rate of interest is presumed to be 6% p.a. The annuity for ₹ 1 for 5 years at 6% interest is 0.237396. Prepare the Lease A/c and the Profit & Loss A/c for 5 years.</p> <p style="text-align: center;">(OR)</p>																																
CO3	K4	13b.	<p>For goods supplied on 1st January, 2018. Ganesh draws a bill on Dinesh for ₹ 3,100 due three months after the date. The bill is endorsed to Mahesh, who discounts it at 8% per annum. On the due date the bill is dishonoured and Ganesh takes it up, paying nothing in ₹ 10 charges. Journalise the above transactions in the books of Ganesh and Dinesh and Mahesh.</p>																																
CO4	K4	14a.	<p>Mohan, a retail merchant commenced business with a capital of ₹ 12,000 on 1.1.23. Subsequently on 1.5.23 he invested further capital of ₹ 5,000. During the year, he has withdrawn ₹ 2,000 for his personal use. On 31.12.23, his assets and liabilities were as follows:-</p> <table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;">Particulars</th> <th style="width: 30%;">₹</th> </tr> </thead> <tbody> <tr> <td>Cash at bank</td> <td style="text-align: right;">3,000</td> </tr> <tr> <td>Debtors</td> <td style="text-align: right;">4,000</td> </tr> <tr> <td>Stock</td> <td style="text-align: right;">16,000</td> </tr> <tr> <td>Furniture</td> <td style="text-align: right;">2,000</td> </tr> <tr> <td>Creditors</td> <td style="text-align: right;">5,000</td> </tr> </tbody> </table> <p>Calculate the profit (or) loss made during the year 2023.</p> <p style="text-align: center;">(OR)</p>	Particulars	₹	Cash at bank	3,000	Debtors	4,000	Stock	16,000	Furniture	2,000	Creditors	5,000																				
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CO4	K4	14b.	<p>Ramesh drew upon Vinod several bills of exchange due for payment on different dates as under:</p>																																

			Date of bill		
			Date of bill	Amount ₹	Tenure of bill
			1.6.88	1,200	3 months
			19.6.88	1,600	2 months
			10.7.88	2,000	3 months
			27.7.88	1,500	3 months
			7.8.88	1,800	1 month
			15.8.88	2,400	2 months
			Find out average due date on which payment may be made in one single amount.		
CO5	K5	15a.	A Company leased a colliery on 1st January, 2017 at a minimum rent of ₹ 20,000 merging into a royalty of Rs.1.50 per ton with power to recoup short workings over the first four years was 9,000 tons, 12,000 tons, 16,000 tons, 20,000 tons respectively. Show the analysis of royalty.		
			(OR)		
CO5	K5	15b.	Write short note on: (a) Short sales (b) Indemnity Period (c) Annual Turnover (d) Standard Turnover (e) Standing charges.		

Course Outcome	Bloom's K-level	Q. No.	SECTION – C (5 X 8 = 40 Marks)		
			Answer <u>ALL</u> Questions choosing either (a) or (b)		
CO1	K3	16a.	<p>From the following particulars, you are required to find out the errors in cash book and bank statement by using missing method and prepare Bank Reconciliation Statement as on 31-12-2016, for Chand Bibi Ltd:</p> <p>(i) Bank balance overdraft as per cash book ₹ 80,000 (ii) Cheque recorded for collection but not sent to the bank ₹ 10,000 (iii) Credit side of the cash book cast short ₹ 1,000 (iv) Premium on proprietor's Life Insurance Policy (LIP) paid on standing order ₹ 5,000 (v) Bank Charges recorded twice in the cash book ₹ 100 (vi) Customer's cheque returned by the bank as dishonored ₹ 4,000 (vii) Bill Receivable collected by the bank directly on the behalf of company ₹ 20,000 (viii) Cheque received entered twice in the cash book ₹ 6,000 (ix) Cheque issued but dishonored on technical grounds ₹ 3,000 (x) A cheques deposited into the bank of worth ₹ 45,000 but ₹ 8,000 cheque was not collected by bank.</p> <p style="text-align: center;">(OR)</p>		
CO1	K3	16b.	<p>From the following particulars make cash book of Ghulam Fatima Trading Co. for the month of November, 2016:</p> <p>1 Cash balance (Cr) ₹ 2,000; Bank balance ₹. 40,000. 4 Cash sales ₹ 3,700; Credit sales ₹ 1,800 would be received in near future. 6 Paid Ahmed & Bros. by cash ₹ 500; Received cash by debtors ₹ 1,800. 12 Paid to the vendor by means of a cheque worth ₹ 2,700. 13 Paid Utility bills in cash Rs. 250; Bought goods by cheque ₹ 750. 19 Drew from the Bank for office use ₹ 160; Personal withdrawal of cash ₹ 1,000. 20 Received a cheque from Hamid ₹ 2,700 and deposited into the bank. 21 Received by cheque from Munir ₹ 1,360; Discount ₹ 140 (not deposited). 25 Cash sales ₹ 2,100; Paid wages by bank ₹ 1,500. 28 Deposited Munir's cheque into the bank. 29 Payment by cheque to Anees for ₹ 175; Discount received ₹ 25. 30 Munir's cheque has been dishonored and returned by bank.</p>		

CO2	K4	17a.	The following trial balance has been extracted from the books of Rajesh on 31st December, 2016.			
			Particulars	₹	Particulars	₹
			Drawings	44,000	Capital	1,76,000
			Plant and machinery	1,00,000	Cash sales	1,72,000
			Opening stock	20,000	Provision for bad and doubtful debts	2,000
			Purchases	2,70,000	Bank overdraft	20,000
			Wages	62,000	Discount received	6,000
			Salaries	70,000	Credit sales	3,00,000
			Insurance	45,000	Sundry creditors	24,000
			Rent and taxes	17,000		
			Sundry debtors	50,000		
			Suspense a/c	22,000		
				7,00,000		7,00,000
			The following adjustments are to be made:			
			i. Stock on 31st December, 2016 was ₹ 28,000			
			ii. Unexpired insurance was ₹ 15,000			
			iii. Provision for doubtful debts is to be maintained at 5% on sundry debtors.			
			iv. Depreciate plant and machinery at 20%.			
			You are required to prepare a trading and profit and loss account for the year ended 31st December, 2016 and a balance sheet as on that date.			
			(OR)			
CO2	K4	17b.	Edward's books show the following balances. Prepare his trading and profit and loss A/c for the year ended 31 st December, 2016 and a balance sheet on that date.			
			Debit balances	₹	Credit balances	₹
			Drawings	5,000	Capital	1,31,500
			Drs	60,000	Loan @ 6% p.a.	20,000
			Coal, gas and water	10,500	Sales	3,56,500
			Returns inward	2,500	Interest on investments	2,550
			Purchases	2,56,500	Sundry creditors	40,000
			Opening stock	89,700		
			Travelling expenses	51,250		
			Interest on loan paid	300		
			Petty cash	710		
			Repairs	4,090		
			Investments	70,000		
				5,50,550		5,50,550
			Adjustments:			
			i. Closing stock was ₹ 1,30,000 on 31 st December, 2016.			
			ii. Create 5% provision for bad and doubtful debts on sundry debtors.			
			iii. Create provision at 2% for discount on debtors.			
			iv. Interest on loan due for 9 months.			
CO3	K4	18a.	On 1 st April 2015, a company bought plant and machinery costing ₹ 68,000. It is estimated that its working life is 10 years, at the end of which it will fetch ₹ 8,000. Additions are made on 1st April, 2016 to the value of ₹. 40,000 (residual value Rs. 4,000). More additions were made on Oct 1, 2017 to the value of ₹ 9,800 (Breakup value Rs. 800). The working life of both the additional plant and machinery is 20 years. Show the plant and machinery a/c for the first four years, if depreciation is written off according to the straight line method. The accounts are closed on 31 st March every year.			
			(OR)			
CO3	K4	18b.	On 1 st January 2005, Satish drew on Harish three Bills of Exchange in full settlement of claims; the first Bill for ₹ 14,000 for one month, the second Bill for ₹ 16,000 for two months and the third Bill for ₹ 18000 for three months. These Bills were duly accepted by Harish.			

			<p>The first Bill was endorsed by Satish to his creditor Rajnish on 3rd January, the second Bill was discounted on 15th January for ₹ 15,000 and the third Bill was sent to bank for collection on 4th February. All the Bills were duly met on maturity except the second Bill which was dishonoured noting charges being ₹ 240. Satish charged Harish ₹ 300 for interest and drew on a fourth Bill for two months for the amount due. The fourth Bill was duly met on maturity.</p> <p>Pass journal entries in the books of both the parties.</p>																																	
CO4	K5	19a.	<p>Rama commenced business on 1.1.19 with a capital of ₹ 25,000 He immediately bought furniture for ₹ 4,000. During the year, he borrowed ₹ 5,000 from his wife and introduced a further capital of ₹ 3,000. He has withdrawn ₹ 600 at the end of each month for family expenses. From the following particulars obtained from his books, you are required to prepare Trading and P & LA/c and Balance Sheet as on 31.12.19. ₹</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td>Sales (Including cash sales of ₹ 30,000)</td> <td style="text-align: right;">1,00,000</td> </tr> <tr> <td>Purchases (Including cash purchases of ₹ 10,000)</td> <td style="text-align: right;">75,000</td> </tr> <tr> <td>Carriage</td> <td style="text-align: right;">700</td> </tr> <tr> <td>Wages</td> <td style="text-align: right;">300</td> </tr> <tr> <td>Discount allowed to debtors</td> <td style="text-align: right;">800</td> </tr> <tr> <td>Salaries</td> <td style="text-align: right;">6,200</td> </tr> <tr> <td>Bad debts written off</td> <td style="text-align: right;">1,500</td> </tr> <tr> <td>Trade expenses</td> <td style="text-align: right;">1,200</td> </tr> <tr> <td>Advertisement</td> <td style="text-align: right;">2,200</td> </tr> </table> <p>Rama has used goods worth ₹ 1,300 for private purposes and paid ₹ 500 to his son which is not recorded anywhere. On 31.12.19, his debtors, were worth ₹ 21,000 Creditors ₹ 15,000 and stock in trade ₹ 10,000. Furniture to be depreciated at 10% p.a.</p> <p style="text-align: center;">(OR)</p>	Sales (Including cash sales of ₹ 30,000)	1,00,000	Purchases (Including cash purchases of ₹ 10,000)	75,000	Carriage	700	Wages	300	Discount allowed to debtors	800	Salaries	6,200	Bad debts written off	1,500	Trade expenses	1,200	Advertisement	2,200															
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CO4	K5	19b.	<p>Prepare account current for Nagesh in respect of the following transactions with Basha.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">2014</th> <th style="width: 65%;"></th> <th style="width: 20%; text-align: center;">₹</th> </tr> </thead> <tbody> <tr> <td>Sep 16</td> <td>Goods sold to Basha</td> <td style="text-align: right;">400 (due 1st Oct)</td> </tr> <tr> <td>Oct 1</td> <td>Cash received from Basha</td> <td style="text-align: right;">180</td> </tr> <tr> <td>Oct 21</td> <td>Goods purchased from Basha</td> <td style="text-align: right;">1,000 (due 1st Dec)</td> </tr> <tr> <td>Nov 1</td> <td>Paid to Basha</td> <td style="text-align: right;">660</td> </tr> <tr> <td>Dec 1</td> <td>Paid to Basha</td> <td style="text-align: right;">600</td> </tr> <tr> <td>Dec 5</td> <td>Goods purchased from Basha</td> <td style="text-align: right;">1,000 (due 1st Jan)</td> </tr> <tr> <td>Dec 10</td> <td>Goods purchased from Basha</td> <td style="text-align: right;">440 (due 1st Jan)</td> </tr> <tr> <td>2015</td> <td></td> <td></td> </tr> <tr> <td>Jan 1</td> <td>Paid to Basha</td> <td style="text-align: right;">1,200</td> </tr> <tr> <td>Jan 9</td> <td>Goods sold to Basha</td> <td style="text-align: right;">40 (due 1st Feb)</td> </tr> </tbody> </table> <p>The account is to be prepared upto 1st Feb. Calculate interest @ 6% p.a.</p>	2014		₹	Sep 16	Goods sold to Basha	400 (due 1st Oct)	Oct 1	Cash received from Basha	180	Oct 21	Goods purchased from Basha	1,000 (due 1st Dec)	Nov 1	Paid to Basha	660	Dec 1	Paid to Basha	600	Dec 5	Goods purchased from Basha	1,000 (due 1st Jan)	Dec 10	Goods purchased from Basha	440 (due 1st Jan)	2015			Jan 1	Paid to Basha	1,200	Jan 9	Goods sold to Basha	40 (due 1st Feb)
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CO5	K5	20a.	<p>A fire occurred in the premises of Mr. Dheenadayalan on 15th August, 2020. A large part of the stock was destroyed and ₹ 7,500 was realised for the salvage. For the period from 1st January 2020 to 15th August 2020, the following information is available:</p> <ol style="list-style-type: none"> (i) Purchases amounted to ₹ 42,500. (ii) Sales amounted to ₹ 45,000. (iii) Stock on hand on 1st January 2020 was ₹ 20,000 at cost price. (iv) Goods costing ₹ 2,500 were taken by Dheenadayalan for his personal use. <p>The previous accounts reveal that the rate of gross profit was 33$\frac{1}{3}$% on sale. The insurance policy was for ₹ 25,000 and included an average clause. Examine the claim to be made on the insurance company.</p> <p style="text-align: center;">(OR)</p>																																	
CO5	K5	20b.	<p>Ravi took a colliery on lease. The dead rent was 750 a year, merging into a royalty of 35 paise per tonne of coal raised, with the right to recover short</p>																																	

			<p>workings out of royalties of two subsequent years from the period in which the short workings arose. The output raised were:</p> <p>I year - 1,000 tonnes II Year - 1500 tonnes III Year - 2500 tonnes IV year - 1500 tonnes V Year - 1000 tonnes</p> <p>Show all necessary ledger Accounts for each of the five years in the books of Ravi.</p>
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