

(FOR THE CANDIDATES ADMITTED  
DURING THE ACADEMIC YEAR 2025 ONLY)

25UCC101

REG.NO.:

**N.G.M.COLLEGE (AUTONOMOUS): POLLACHI**  
**END-OF-SEMESTER EXAMINATIONS: NOVEMBER-2025**

**B.Com.-C.A**  
**SEMESTER: I**

**MAXIMUM MARKS: 75**  
**TIME: 3 HOURS**

**PART - III**

**ADVANCED FINANCIAL ACCOUNTING**  
**SECTION – A (10 X 1 = 10 MARKS)**

**ANSWER THE FOLLOWING QUESTIONS.**

**MULTIPLE CHOICE QUESTIONS**

**(K1)**

1. A person who brings capital in the business is called\_\_\_\_\_.  
a) A debtor            b) A creditor            c) Proprietor            d) Broker
2. Capital + Liabilities \_\_\_\_\_.  
a) Fixed Assets    b) Current Assets            c) Losses            d) Total Assets
3. The Cash Book debit balance is equivalent to\_\_\_\_\_.  
a) Credit balance as per passbook            b) Overdraft as per Cash book  
c) Overdraft as per Pass book            d) None of the above
4. Branch not keeping the full system of accounting is also known as \_\_\_\_\_.  
a) Foreign branch    b) Dependent branch    c) Independent branch    d) None of the above
5. If the policy is without average clause, a claim for loss of profit will be \_\_\_\_\_.  
a) Sum insured            b) higher of actual loss and sum insured  
c) lower of actual loss and sum insured            d) None of the above .

**ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES.**

**(K2)**

6. What is Ledger?
7. Define Closing stock.
8. What is Bank Reconciliation?
9. Define Departmental Accounting.
10. What is abnormal loss?

**SECTION – B**

**(5 X 5 = 25 MARKS)**

**ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.(K3)**

11. a) From the following particulars, prepare proprietor's capital a/c.  
1<sup>st</sup> Oct. 2019 Commenced business with cash Rs.40,000  
30<sup>th</sup> Nov. Goods taken for personal use Rs.3,000  
31<sup>st</sup> Dec. Net Loss as per P&L a/c Rs.3,600  
31<sup>st</sup> Dec. Drawings during the period Rs.3,000

**(OR)**

- b) Describe the limitations of single entry system.

**(CONTD.....2)**

12.a) From the following information, calculate Gross profit and Net profit.

Opening stock Rs.25,000  
 Purchase return Rs.2,500  
 Sales return Rs.1,300  
 Salaries Rs.4,650  
 Rent Rs.3,700  
 Interest received Rs.17,000  
 Purchases Rs.85,000  
 Sales Rs.1,29,000  
 Closing Stock Rs.11,000  
 Wages Rs.3,500  
 Commission Rs.4,200  
 Carriage outwards Rs.6,450

(OR)

b) Prepare Trading and Profit & Loss account from the information given

	Rs.		Rs.
Opening Stock	3,600	Rent (Factory)	400
Purchases	18,260	Rent (Office)	500
Wages	3,620	Sales Return	700
Closing stock	4,420	Purchases Return	900
Sales	32,000	General Expenses	900
Carriage on purchases	500	Discount	360
Carriage on Sales	400	Interest from Bank	200

13.a) From the following details Prepare a bank reconciliation statement as on 31.12.2015,

- i) balance as per cash book Rs.7,225
- ii) Cheque deposited into bank but not collected Rs.675
- iii) Cheque issued but not presented for payment Rs.879
- iv) Bank charges debited in the pass book Rs.20
- v) Interest credited in the pass book Rs.15

(OR)

b) How do you classify errors in accounts?

14.a) What are the objectives of preparing Departmental Accounts?

(OR)

b) X Ltd. Of Mumbai has a branch in Delhi. From the following data, prepare Branch Stock account under stock and debtors system:

Goods sent from H.O Rs.50,000  
 Returns to H.O. Rs.1,000  
 Cash Sales Rs.35,500  
 Credit Sales Rs.8,000  
 Opening stock Rs.10,000  
 Closing Stock Rs.11,000

15.a) State the significance of average clause.

(OR)

b) Ravi owes sami the following sums of money due from him on the dates stated

Rs.300 due on March 9, 2021  
 Rs.1,000 due on April 2, 2021  
 Rs.4,000 due on April 30, 2021  
 Rs.100 due on June 1, 2021

He wants to make the complete payment on 30.6.2021. calculate interest at 5% p.a. with the help of Average due date method.

(CONTD.....3)

**SECTION – C****(5 X 8 = 40 MARKS)****ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.(K4 (Or) K5)**

16. a) What are accounting concepts and conventions?

**(OR)**

b) Distinguish between Journal and Ledger.

17.a) The following are the ledger balances extracted from the books of Arun

Particulars	Rs.	Particulars	Rs.
Arun's Capital	50,000	Sales	3,01,000
Bank overdraft	8,400	Return inwards	5,000
Furniture	5,200	Discount (Cr.)	800
Business premises	40,000	Taxes and Insurance	4,000
Creditors	26,600	General expenses	8,000
Opening stock	44,000	Salaries	18,000
Debtors	36,000	Commission allowed	4,400
Rent from tenants	2,000	Carriage on purchases	3,600
purchases	2,20,000	Provision for doubtful debts	1,000
		Bad debts written off	1,600

Adjustments

- Stock on hand on 31.12.2020 was estimated as Rs.40,120
- Write off depreciation on business premises Rs.600 and furniture Rs.520
- Make a provision of 5% on debtors for bad and doubtful debts
- Allow interest on capital at 5% and carry forward Rs.1,400 for unexpired insurance.

Prepare final accounts for the year ended 31.12.2020.

**(OR)**

b) Distinguish between Trial balance and Balance Sheet.

18.a) From the following particulars of Mr. Vinod, Prepare bank reconciliation statement as on March 31, 2015:

- Bank balance as per cash book Rs.50,000
- Cheque issued but not presented for payment Rs.6,000
- The bank had directly collected dividend of Rs.8,000 and credited to bank account but was not entered in the cash book.
- Bank charges of Rs.400 were not entered in the cash book
- A Cheque for Rs.6,000 was deposited but not collected by the bank

**(OR)**

b) What is Suspense Account? Why is it opened?

19.a) A Madras head office has a branch at Salem to which goods are invoiced at cost plus 20%  
From the following, prepare Branch Account in the Head Office books:

Goods sent to branch Rs.2,11,872

Total Sales Rs.2,06,400

Cash Sales Rs.1,10,400

Cash received from Branch Debtors Rs.88,000

Branch Debtors on 1.1.2020 Rs.24,000

Branch Stock on 1.1.2020 Rs.7,680

Branch Stock on 31.12.2020 Rs.13,440

**(OR)**

19.b) From the following details, prepare departmental trading account

Particulars	Department A	Department B
Opening Stock	9,000	8,400
Total Purchases	27,000	21,600
Total Sales	42,000	36,000
Closing Stock	10,800	4,800
Credit Purchases	17,000	10,600
Credit Sales	5,000	6,000

20.a) A fire occurred in the premises on Mr. Raj on 15<sup>th</sup> August 2020. A large part of the stock was destroyed and Rs.7,500 was realized for the salvage. For the period from 1.1.2020 to 15.8.2020, the following information is available.

i) purchase amounted to Rs.42,500

ii) Sales amounted to Rs.45,000

iii) Stock on hand on 1.1.2020 was Rs.20,000 at cost price

iv) Goods costing Rs.2,500 were taken by Raj for his personal use.

The previous accounts revealed that the rate of gross profit was 33 1/3% on sale. The insurance policy was taken for Rs.25,000 and included an average clause. Prepare the statement of claim to be made with the insurance company.

(OR)

b) Mr. A has purchased goods, the due dates of which are as follows:

Rs.1,000 due on 5<sup>th</sup> July 2020

Rs.1,700 due on 10<sup>th</sup> August 2020

Rs.700 due on 25<sup>th</sup> September 2020

Rs.1,300 due on 10<sup>th</sup> November 2020

He wants to make the complete payment on October 15, 2020. Calculate interest at 6% p.a. with the help of average due date method.

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