

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

25UCF101

REG.NO. :

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

B.Com.- FINANCE
SEMESTER: I

MAXIMUM MARKS: 75
TIME : 3 HOURS

PART - III

FINANCIAL ACCOUNTING – I

SECTION – A

(10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS.

MULTIPLE CHOICE QUESTIONS.

(K1)

1. Asset account is a _____.
(a) Personal a/c (b) Real a/c (c) Expenses a/c (d) None
2. This is a subsidiary books as well as an account _____.
(a) Purchase book (b) Purchase return book (c) Cash book (d) Sales book
3. Bank Reconciliation Statement is prepared to _____.
(a) Rectify errors in Cash Book
(b) Rectify errors in Pass Book
(c) Find out the difference between Cash Book balance and Pass Book balance
(d) Record all bank transactions
4. In a hire purchase system, the ownership of goods passes to the buyer _____.
a) Immediately on signing the agreement
b) Only after payment of the last installment
c) After half installments are paid
d) Never
5. Royalty is generally paid by _____.
a) Lessor to Lessee b) Lessee to Lessor c) Shareholders to Company d) Partners to Firm

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES.

(K2)

6. State any two important objectives of Accounting
7. Mention two causes of Depreciation of fixed assets.
8. What is a Bank Reconciliation Statement?
9. How is interest calculated in Hire Purchase?
10. What is meant by Dead Rent?

SECTION – B

(5 X 5 = 25 MARKS)

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

(K3)

11. a) Journalize the following transactions.
2020 Jan. 1 Balan started business by investing cash Rs.50,000
2 Purchased building for Rs.10,000
3 Purchased goods for cash Rs.3,000
4 Purchased goods from Mr. Mohan on credit Rs.2,500
5 Paid Cartage Rs.200
6 Commission received Rs.3000
7 Cash Sales Rs.5,000

(OR)

- b) Prepare Trail Balance from the following.

(CONTD.....2)

	Rs.		Rs.
Capital	9,000	Rent outstanding	1,000
Plant and machinery	12,000	Opening stock	2,000
Purchases	8,000	Sales returns	4,000
Sales	12,000	Investments	14,000
Sundry creditors	8,000	Debtors	12,000
Bank loan	22,000		

12. a) From the information given below prepare Trading account .
 Opening stock Rs.1,00,000 Purchases Rs.1,50,000
 Purchase returns Rs.25,000 Direct expenses Rs.10,000
 Carriage inwards Rs.5,000 Sales Rs.4,00,000
 Closing Stock Rs.50,000
- (OR)**
- b) A company purchased a machinery Rs.50,000. The useful of the machinery 10 years and the residual value is Rs.10,000. Find out threat of depreciation under straight line method.
13. a) On 31 st march 2017, your pass book showed as balance of Rs.6,000 to your credit. Before that date, your have issued cheques for Rs.1,500 of which cheques for Rs.900 have not far been presented for payment. A cheque for Rs.900 paid by you into the bank on 29 th march is not yet credited in the pass book. There was a credit in the pass book for interest due on the A/c of Rs.100 and a debit for Rs.50 for bank charges etc.
 Draw up a reconciliation statement
- (OR)**
- b) Find out profit from the following information:
- | | Rs. |
|--------------------------------------|----------|
| Capital at the beginning of the year | 8,00,000 |
| Drawings during the year | 1,80,00 |
| Capital at the end of the year | 9,00,000 |
| Capital introduced during the year | 50,000 |
14. a) What do you mean by Hire purchase trade account? Why is it prepared?
- (OR)**
- b) On 1.1.2017 X purchase machinery on Hire purchase system. The payment is to be made Rs.4000 down and Rs.4000 annually for three years. The cash price of the machinery Rs.14.900 and the rate of Interest is 5%. Calculate the interest in each years installment.
15. a) Ramu Limited leased a colliery on 1.1.2013 at a minimum rent Rs.15,000 merging into a royalty of Re.1 per ton with a stipulation to recoup shortworkings over the first three years of the lease. The output for the first four years of the lease was 8,000, 13,000, 21,000, and 18,000 tonnes respectively. Give the necessary ledger in the books of Ramu Ltd
- (OR)**
- b) What is recoupment of shortworkings?

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

16. a) Enter the following transaction in the books of Mr.Saravanan.2021
- July 1 Commenced business with cash 1,80,000
 - 3 Deposited into bank 55,000
 - 4 Purchased goods for cash 22,000
 - 5 Bought goods of Swaminathan 72,000
 - 8 Cash sales 16,200
 - 11 Cash deposited into Bank 23,000
 - 14 Purchased furniture for cash 4,000
- Prepare Journal and Ledger.

(CONTD.....3)

(OR)

16. b) Enter the following in a Three Columnar Cash Book

01 June 2021	Cash in hand	Rs.410
	Balanced at bank	Rs.8,920
02 June 2021	Cash sales	Rs.4,500
04 June 2021	Paid into bank	Rs.4,000
06 June 2021	Purchased stationary	Rs.100
09 June 2021	Paid Mahesh by Cheque	Rs.280
	Discount received	Rs.20
12 June 2021	Gave a cheque for cash purchases	Rs.1,500
15 June 2021	Drew for personal use	500
20 June 2021	Received from Suresh, a cheque for Rs.1,970 in full settlement of account for Rs.2,000 and deposited it in bank	
23 June 2021	Drew from bank	1,000
25 June 2021	Paid wages	800
28 June 2021	Bank returned cheque of Suresh dishonoured	
31 June 2021	Bank charges as per pass book	10

17. a) Prepare trading, profit & loss A/C and balance sheet from the following Trail balance of Mr. M. Madan.

Debit balance	Rs	Credit balance	Rs
Sundry debtors	92,000	Madan's capital	70,000
Plant & machinery	20,000	Purchase return	2,600
Interest	430	Sales	2,50,000
Rent, rates, taxes, & insurance	5,600	Sundry creditors	60,000
Conveyance charges	1,320	Bank overdraft	20,000
Wages	7,000		
Sales return	5,400		
Purchase	1,50,000		
Opening stock	60,000		
Madan's drawings	22,000		
Trade expenses	1,350		
Salaries	11,200		
Advertising	840		
Discount	600		
Bad debt	800		
Business premises	12,000		
Furniture & fixtures	10,000		
Cash in hand	2,060		
	4,02,600		4,02,600

Adjustments:

Stock on hand on 31.12.2019 Rs.90,000.

Provide depreciation on premises at 2.5%; plant & machinery at 7.5% and furniture & fixtures at 10%.

Write off Rs.800 as further bad debts.

Provide for doubtful debts at 5% on sundry debtors.

Outstanding rent was Rs.500 and outstanding wages Rs.400.

Prepaid insurance Rs.300 and prepaid salaries Rs.700

(CONTD.....4)

(OR)

17. b) A company whose accounting year is the calander year purchased on 1.4.2013 machinery costing Rs.30,000. It purchased further machinery on 1st October 2013. Costing Rs.20,000 and on 1st July 2014 Rs.10,000 On 1.1.2014 one –third of the machinery installed on 1st April 2013 become obsolete and was sold for Rs.3,000. Depreciation is calculated account 10% per annum. Prepare machinery account on 31.12.2015 under straight line method and diminishing balance method

18. a) Prepare a Bank reconciliation statement from the following data as on 31.12.2019

- i. Balance as per cash book 12,500
- ii. Cheques issued but not presented for payment 900
- iii. Cheques deposited in bank but not collected 1,200
- iv. Bank paid insurance, premium 500
- v. Direct deposit by a customer 800
- vi. Interest on investment collected by bank 200

(OR)

b) Mr.Ramu has mainained his books single entry method. From the following details calculate profit for the year and statement of affairs at the end of the years.1,000 (cost) furniture was sold for Rs.5,000 on 1.1.2016. 10% depreciation is to be charged on furniture Mr.Ramu has drawn Rs.1,000 p.m Rs.2,000 was invested further capital.

	Rs.	Rs.
Stock	40,000	60,000
Debtors	30,000	40,000
Cash	2,000	1,000
Bank	10,000	5,000
Creditors	15,000	25,000
Outstanding expenses	5,000	8,000
Furniture	3,000	2,000

Bank balance on 1.1.2016 as per cash book but the bank overdraft on 31.12.2016 is as per bank statement. Rs.2,000 cheques drawings in December 2016, have not been encashed within the year.

19.a) On 1.1.2016 a company purchased a machinery on installment system. The cash price of the machinery was Rs.11,175 and payment was to be made as follows:

Rs.3,000 was to be paid on signing of the agreement and the balance in three installments of Rs.3,000 at the end of each year. Interest at 5% is charged by the vendor. The firm has decided to write off annually on the diminishing balance of the cash price.

Give the necessary ledger account the books of purchased and hire purchase vendor.

(OR)

b) X purchase a type writer on hire purchase system. As Per terms he is required to pay Rs.800 down, Rs.400 at the end of the first year Rs.300 at the end of the Second year and 700 at the end of the third year. Interest is charged at 5% p.a. Calculate the total cash price of the typewriter and the amount of interest payable on each installment

20.a) Mr.Parthipan took a colliery on lease. The dead rent was Rs.750 a year merging into a royalty of 35 paise tone of Coal raised, with the right to recover short working out of royalty of two subsequent years from the period in which short working arose. The output raised were :

I-year -1,000 tones II-Year 1500 tones , III-Year -2500 tones
IV th year -1500 tones V th Year 1000 tones

Give necessary ledger A/C for the each Five Year in the books of Parthipan

(OR)

b) Pass publication on the terms that royalties will be paid Rs.5 per copy sold, subject to a right to recoup the short workings over the first three years the royalty agreement. The details are given below:

Year	No. Copies printed	No. Copies of closing stock
2013	2,000	100
2014	3,000	200
2015	4,000	400
2016	5,000	500

Prepare minimum rent account, royalties account and Rja account in the books of pass publication.
