(NO. OF PAGES: 5)

(FOR THE CANDIDATES ADMITTED **25UCI101**
DURING THE ACADEMIC YEAR 2025 ONLY) REG.NO. :

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

BCOM IT(SF) **MAXIMUM MARKS: 75**
SEMESTER-I **TIME : 3 HOURS**

PART - III

25UCI101-FINANCIAL ACCOUTING-I

SECTION – A (10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS.

(K1)

1. As per dual aspect concept____________
(a) Assets + Capital =Liabilities(b) Assets + Liabilities = Capital
(c) Assets = Liabilities + Capital(d) Assets = Liabilities-Capital
2.Closing stock is valued at____________
(a) Cost or market prices whichever is lower(b) Cost Value
(c) Market value(d) Book value
3.What are the three additional days known as that a drawer gives to the drawee for payment?
a) Conditional days b) Additional days c) Days of grace d) Days of rebate
4.Opening capital is ascertained by preparing_____________
(a) Total debtor's account(b) Total creditor's account
(c) Cash account(d) Opening statement of affairs

5.The person who undertakes an agreement, conveys to another person the right to use in return for rent, an asset for an agreed period of time is ____________.
(a) Lessor(b) Lessee(c) Both(d) Agent

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES **(K2)**

6. Define trial balance.
7. Indicate the purpose of preparing of financial statements.
8. Define depreciation.
9. Illustrate the Statement of affairs.
10. Define shortworkings.

SECTION – B (5 X 5 = 25 MARKS)

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

11. a) Describe the objectives of financial accounting.

(OR)

b) Show trial balance from the following:

	Rs.		**Rs.**
Capital	9,000	Rent outstanding	1,000
Plant & 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		

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(CONT…2)

12. a) Show trading account of Mr.Arun for the year ending 31.03.2024 from the following information:

Particulars	Rs.
Opening stock	80,000
Purchases	8,60,000
Freight inward	52,000
Wages	24,000
Sales	14,40,000
Purchase returns	10,000
Sales returns	3,16,000
Closing stock	1,00,000
Import duty	30,000

(OR)

b) From the following balances extracted for of the year ended 31.03.2023, Show P/L account of Mr. Ram as at that date:

	Rs.		Rs.
Gross profit	55,000	Repairs	500
Carriage on Sales	500	Telephone expenses	520
Office rent	500	Interest(Dr.)	480
General expenses	900	Fire insurance premium	900
Discount to customers	360	Bad debts	2,100
Interest from bank	200	Apprentice premium(Cr.)	1,500
Travelling expenses	700	Printing and stationary	2,500
Salaries	900	Trade expenses	300
Commission	300		

13. a)Ms. Saran Balaji & Co. purchased a machine for Rs.22,000 on January 1.2022. The estimated life of machinery is 10 years, after which it's breakup value will be Rs. 2,000. Depreciation has to be charged at 21% on the diminishing balance. There was an addition to the original plant on January 2024 to the value of Rs. 4,000. You are required to show machinery a/c for the first three years.

(OR)

b)Mala purchased goods for Rs. 3,000 from Kala on 1.4.2019. Mala accepted a three months bill for the amount and gave it to Kala the same day. Kala discounted it immediately with Indian Bank at discount of 5%. p.a. On the due date the bill was honored by payment. You are required to show necessary journal entries in the books of Kala.

14. a) Mr. Manoj keeps his books of accounts under single entry system, and his financial position on 31.12.2020 and 31.12.2021 are as follows:

	2020 Rs.	2021 Rs.
Cash	9,860	800
Stock	38,520	57,020
Plant & Machinery	54,420	61,000
B/R	-	16,480
Debtors	24,840	43,940
Creditors	72,040	80,000
Furniture	4,960	5,220
Drawings	-	5,000

During the year,he introduced additional Capital of Rs. 20,000

Show a statement of Profit and loss of Manoj for the year ended 31.12.2021

(OR)

b)Find out purchases and sales from the following details by making necessary adjustments:

	Rs.
Opening balance of debtors	30,000
Opening balance of creditors	10,000
Collection from customers	1,60,000
Discount received	2,500
Bad debts	1,000
Payment to creditors	14,000
Discount allowed	1,500
Returns inwards	2,000
Returns outwards	3,000
Cash purchases	6,000
Cash sales	10,000
Closing balance of debtors	35,000
Closing balance of creditors	15,000

15. a)Describethe Minimum rent and Short workings.

(OR)

b)A fire occurred at the premises of a trader on 31.05.2024 destroying a great part of his goods. His stock on 01.01.2024 was Rs. 60,000. The value of stock salvaged was Rs.13,500. The gross profit. on sales was 30% and sales amounted to Rs. 1,53,000 from January to the date of fire date, while for the same period the purchases amounted to Rs. 1,03,500. Show a statement of claim.

SECTION – C (5 X 8 = 40 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.(K4 (Or) K5)

16. a) Examine briefly the various accounting concepts.

(OR)

b) **Prepare necessary journal enties for the following transactions of M/s. Ram & Sons**

Date		**Rs.**
2024 Jan 1	Business started with Rs. 2,50,000 and cash deposited with bank Rs. 1,50,000	
3	Purchased machinery on credit from Ragan	50,000
6	Bought furniture from Ramesh for cash	25,000
12	Goods sold to Yesodha	22,500
13	Goods returned by Yesodha	2,500
15	Goods sold for cash	50,000
17	Bought goods for cash	25,000
20	Cash received from Yesodha	10,000
21	Cash paid to Ramola	20,000
25	Cash withdrawn from bank	50,000
29	Paid advertisement expenses	5,000
31	Cash withdrawn from the bank for personal use of the proprietor	6,250

17. a) From the trial balance of Mukile, prepare final accounts for the year ended 31.03.2023.

Particulars	Rs.	Rs.
Capital		40,000
Sales		25,000
Purchases	15,000	
Salaries	2,000	
Rent	1,500	
Insurance	300	
Drawings	5,000	
Machinery	28,000	
Bank balance	4,500	
Cash	2,000	
Stock 1.04.2022	5,200	
Debtors	2,500	
Creditors		1,000
	66,000	66,000

Adjustments required:

1. Stock on 31.3.2023 Rs. 4,900
2. Salaries unpaid Rs. 300
3. Rent paid in advance Rs. 200
4. Insurance prepaid Rs. 90

(OR)

b) From the following trial balance of Mr. Ram as on 31st March 2025, prepare trading and profit & loss a/c and balance sheet taking into account the adjustments:

Debit balances	Rs.	Credit balances	Rs.
Land and Building	42,000	Capital	62,000
Machinery	20,000	Sales	98,780
Patents	7,500	Return outwards	500
Stock 1.4.2023	5,760	Sundry Creditors	6,300
Sundry debtors	14,500	Bills payable	9,000
Purchases	40,675		
Cash in hand	540		
Cash at bank	2,630		
Return inwards	680		
Wages	8,480		
Fuel & power	4,730		
Carriage on sales	3,200		
Carriage on purchases	2,040		
Salaries	15,000		
General expenses	3,000		
Insurance	600		
Drawings	5,245		
	1,76,580		**1,76,580**

Adjustments:

1. Stock on 31.03.2024 was Rs. 6,800
2. Salary outstanding Rs. 1,500
3. Insurance prepaid Rs.150
4. Depreciation on machinery @ 10% and on patents @20%
5. Create a provision of 2% on debtors for bad debts.

(CONT…5)

18. a) A machine purchased on 01.07.2013 at a cost of Rs. 14,000 and 1,000 was spent on its installation. The depreciation is written off 10% on the original cost every year. The books are closed on 31st December each year. The machine was sold for Rs. 9,500 on 31st march 2016. Show machinery a/c for all the years.

(OR)

b) On 1.4.2019, Balu draws a bill on Ravi for Rs. 1,600 for goods sold at 90 days after sight. Ravi accepts the bill on 5.4.2019. Balu, however, endorsed the bill to Sohan in settlement of a debt of Rs. 1,700. On maturity, the bill was dully honored by Ravi. Show the journal entries in the books of Balu and Ravi

19. a) Rajesh keeps his books on single entry basis. Prepare a statement of affairs as on 31.10.2022 and a statement of profit/loss for the period ending 31.10.2022

Assets & Liabilities	**01.11.2021 Rs.**	**31.10.2022 Rs.**
Bank	560(Cr)	350(Dr)
Cash	10	50
Debtors	4,500	3,600
Stock	2,700	2,900
Plant	4,000	4,000
Furniture	1,000	1,000

Rajesh had withdrawn Rs. 2,000 during the year and had introduced capital of Rs. 4,200 on 1.7.2022. A Provision of 5% on debtors is necessary. Write off depreciation on plant at 10% and furniture at 15%. Interest on capital is to be allowed 5%.

(OR)

b)Compare entry system with double entry system.

20. a)On 01.01.2012, Raja Collieries Ltd., leased a piece of land agreeing to pay a minimum rent of Rs.2,000 in the first year, Rs. 4,000 in the second year and thereafter Rs. 6,000 per annum, merging into royalty of 40 paise per tonne, with power to recoup short workings over the first three years only.

The figures of annual output for the four years to 31st December 2015 were 1,000, 10,000,18,000 and 20,000 tonnes respectively. Short these transaction in the ledger of the company.

(OR)

b) A trader asks for your help in preparing an insurance claim in respect of stock in trade destroyed by fire in his warehouse on June ,1 2016.

His books of accounts give the following information concerning trading account transactions for the period January 1 to June 1,2016.

Balance of stock ,on January 1, 2016 at a cost Rs. 26,000.
Debtors on 1.1. 2016 Rs.50,000
Debtors on 1.6.2016 Rs. 80,000
Cash received from debtors Rs. 60,000
Discount allowed to debtors Rs.10,000
Cash purchases Rs.10,000
Cash paid to suppliers Rs. 67,000
Creditors on 1.1.2016 Rs. 16,000
Creditors on 1.6.2016 Rs. 18,500
The rate of gross profit on cost is 25%.

Calculate the amount of claim taking into account that the goods salvaged from the fire were worth Rs. 3,000.

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