

Reg. No. : .....

Code No. : 10478 E      Sub. Code : CMCA 32

B.C.A. (CBCS) DEGREE EXAMINATION, APRIL 2023.

Third Semester

Computer Application – Core

FINANCIAL ACCOUNTING

(For those who joined in July 2021 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Business is distinct from the owner is called the concept of
  - (a) Business entity
  - (b) Going concern
  - (c) Cost
  - (d) Money measurement

2. The accounting equation is concerned with
- (a) Assets only
  - (b) Liabilities only
  - (c) Assets and Liabilities
  - (d) Assets and expenses
5. Cash account always shows
- (a) debit or credit balance
  - (b) credit balance
  - (c) debit balance
  - (d) none of these
4. Sale of goods on credit to Mr. Ram should be credited to
- (a) Goods a/c                      (b) Sales a/c
  - (c) Ram's a/c                      (d) Mrs. Ram's a/c
5. Trial balance is
- (a) a revenue statement
  - (b) statement of ledger balances
  - (c) ledger account
  - (d) income statement

6. Any difference in trial balance is normally transferred to
- (a) capital account
  - (b) nominal account
  - (c) suspense account
  - (d) revenue account
7. Balance sheet is prepared to know
- (a) financial position    (b) profit or loss
  - (c) net profit              (d) cost of a product
8. Goodwill is
- (a) a current asset
  - (b) an intangible asset
  - (c) a tangible asset
  - (d) a fictitious asset
9. Receipts and payments account is a
- (a) Real a/c                      (b) Nominal a/c
  - (c) Personal a/c                (d) Revenue a/c
10. Subscription received in advance is
- (a) an asset                      (b) an income
  - (c) a liability                    (d) an expense

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).  
Each answer should not exceed 250 words.

11. (a) Describe the objective of accounting.

Or

- (b) What are the characteristics of accounting concepts and convention?

12. (a) Distinguish between journal and ledger.

Or

- (b) Record the following transactions in the personal account of Shri Murugan:

2000	Details	Rs.
Apr. 1	Sold goods to Murugan	6,000
5	Cash received from Murugan and allowed him discount	5,800 200
18	Murugan purchased goods	8,000
30	Received cash from Murugan on account	4,500

13. (a) Categorize the various methods of preparing trial balance.

Or

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- (b) Prepare Trial balance from the following:

	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		

14. (a) Examine the advantages of trading account.

Or

- (b) Prepare Trading account of Narmadha for the year ending 31.12.2021 from the following information:

	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

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15. (a) Write a short note on non-trading organization.

Or

- (b) From the following information, find out the amount to be taken to income and expenditure account in the year ending 31.3.2021:

Particulars	As on 1.4.20 Rs.	As on 31.3.21 Rs.
Opening stock	1,600	800
Creditors for stationary	480	1,200
Amount paid to creditors for stationary	-	8,000

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b)  
Each answer should not exceed 600 words.

16. (a) Describe any five accounting terminology.

Or

- (b) Explain the various accounting concepts briefly.

17. (a) Discuss the accounting rules for debit and credit.

Or

- (b) Journalize the following transactions of M/s. Radha and Sons.

2021 Jan	M/s Radha and Sons	Rs.
1	Business started with Rs 2,50,000 and cash deposited with bank	1,50,000
3	Purchase Machinery on credit from Rangan	50,000
	Bought furniture from Ramesh for cash	25,000
12	Goods sold to Yasodha	22,500
15	Goods returned by Yasodha	2,500
18	Cash paid to Ramola	20,000
23	Cash withdrawn from bank	50,000
28	Paid advertisement expenses	12,500
31	Paid rent	2,500

18. (a) Categorize the various errors disclosed by trial balance.

Or

- (b) David is not an expert in accounting. He prepared the following trial balance. You are required to correct it and prepare a corrected trial balance.

Particulars	Debit Rs.	Credit Rs.
Capital	-	15,560
Sales	-	27,560
Sales returns	-	980
Drawings	5,640	-
Sundry debtors	-	5,300
Freehold premises	7,410	-
Purchases	12,680	-
Returns outwards	2,640	-
Loan from Sharma	-	2,500
Sundry Creditors	5,280	-
Administrative expenses	7,840	-
Cash in hand	1,420	-
Bills payable	1,000	-
Wages	5,980	-

Particulars	Debit Rs.	Credit Rs.
Opening stock	-	2,640
Factory expenses	4,650	-
	<u>54,540</u>	<u>54,540</u>

19. (a) From the trial balance given below, prepare final accounts for the year ending on 31.3.2021.

	Rs.		Rs.
Opening stock	9,300	Bank interest	200
Repairs	310	Purchase returns	440
Machinery	12,670	Creditors	12,370
Furniture	1,330	Sales	20,560
Office expenses	750	Capital	24,500
Trade expenses	310	Loan	5,000
Land & Building	15,400		
Bank charges	50		
Purchases	15,450		
Sales returns	120		
Advertisements	500		
Cash in hand	160		
Cash at bank	5,870		

	Rs.		Rs.
Sundry expenses	150		
Insurance	500		
Travelling expenses	200		
	<u>63,070</u>		<u>63,070</u>

Additional Information:

- (i) Closing stock on 31.3.2021 Rs. 7,585
- (ii) Prepaid insurance Rs. 250
- (iii) Depreciation on Land and Building at 5% and Machinery at 10%.

Or

- (b) From the following particulars, prepare Trading and Profit and Loss a/c and Balance sheet :

	Rs.		Rs.
Capital	50,000	Returns in	1,000
Plant and Machinery	80,000	Returns out	750
Sales	1,77,000	Discount	400
Purchases	60,000	Salaries	7,500
Debtors	45,000	Wages	10,750
Creditors	25,000	Rent	12,000
Cash balance	6,900	Opening stock	29,200

Additional Information:

- (i) Closing stock Rs. 35,000.
  - (ii) Depreciation on Plant and Machinery at 6%.
  - (iii) Interest on Capital to be allowed at 5%.
  - (iv) Outstanding Rent was Rs. 1,000.
20. (a) Analyse the various steps to prepare income and expenditure account.

Or

- (b) From the following particulars, prepare Income and Expenditure account of the Central Sports Society for the twelve month from April 2020 (date of inception) to March 31,2021.

Particulars	Received or Paid Rs.	Outstanding on March 31, 2021 Rs.
Subscription from members	4,600	-
Subscription from affiliated society	1,400	200
Life subscription	2,000	-
Gift Received	3,000	-
Interest received	160	-

Particulars	Received or Paid Rs.	Outstanding on March 31, 2021 Rs.
Committee Expenditure :		
Executive	1,500	200
Planning	1,440	640
Tournament	420	120
Printing, Postage and Stationery	1,140	160
Office Furniture	2,000	—
Investment purchased	3,000	—

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