Reg. No. : ....

Code No. : 21071 E **Sub. Code : FCCO 11/ FCPA 11/FCHO 11/ FCCR 11/FCBF 11/ FCBE 11**

B.Com. (CBCS) DEGREE EXAMINATION, APRIL 2026.

First Semester

Professional Accounting / Honours / Corporate Secretaryship / Banking and Finance / Banking and E-Commerce

Commerce — Core

FINANCIAL ACCOUNTING — I

(For those who joined in July 2024 onwards)

Time : Three hours Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Entered in the purchases journal are _________.
   (a) Discount received
   (b) Purchase invoices
   (c) Payment to suppliers
   (d) Trade discounts

2. Bank Reconciliation statement is ________.

(a) Ledger (b) Journal

(c) Trial Balance (d) Statement

3. The difference between the selling price and the cost price of the goods in the ________.

(a) Gross profit (b) Net profit

(c) Net liability (d) Net loss

4. Heavy advertisement expenditure is an example of ________.

(a) Revenue expenditure

(b) Capital expenditure

(c) Deferred revenue expenditure

(d) Capital receipt

5. Depreciation is provided on ________.

(a) Current assets

(b) Fixed assets

(c) Miscellaneous expenses

(d) Capital

6. A bill of exchange includes ________.

(a) An order to pay (b) A request to pay

(c) A promise to pay (d) All the above

7. Generally, incomplete records are maintained by ________.

(a) Government (b) Society

(c) Company (d) Trader

8. Ascertainment of profit by preparing final accounts is known as ________ method.

(a) Net worth (b) Conversion

(c) Statement (d) Yield value

9. Shortworkings is a loss for ________.

(a) Lessee (b) Royalty

(c) Landlord (d) Bank

10. ________ clause is inserted in a fire policy in order to avoid under insurance.

(a) Name clause (b) Object clause

(c) Situation clause (d) Average clause

PART B — (5 × 5 = 25 marks)

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

11. (a) Rectify the following errors :

(i) Interest received Rs. 200 was credited to commission account.

(ii) Plant purchased for Rs. 3,000 was debited to purchases account.

(iii) Old furniture sold for Rs. 300 credited to sales account.

Or

(b) Prepare Trial Balance from the following :

	Rs.		Rs.
Capital	9,000	Rent outstanding	1,000
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) Prepare a trading account of a trader for the year ended 31st December 2020 from the following data :

	Rs.
Opening Stock	10,00,000
Goods purchased during the year	5,60,000
Freight expenses paid	40,000
Closing stock	1,20,000
Sales	7,60,000
Packing expenses paid on sales for distribution	50,000

Or

(b) Distinguish between capital receipts and revenue receipts.

13. (a) A fixed assets having a useful life of 4 years is purchases on 1 January 2012. Cost of the assets is Rs. 60,000 whereas its residual value is expected to be Rs. 10,000. Calculate amount of depreciation and rate of depreciation.

Or

(b) Ganga Sri sold good to Kaviya Sri for Rs. 30,000 on 1st January 2012. Ganga Sri drew a bill upon him for 3 months for the amount. Kavya Sri accepted the bill and returned to Ganga Sri. On due date, the bill was passed. Pass Journal entries in the books of Gangasri.

14. (a) Mohan a retail merchant, commenced business with a capital of Rs. 24,000 on 1.1.2000. Subsequently on 1.5.2000 he invested a further capital of Rs. 10,000. During the year he has withdraw Rs. 4,000 for his personal use.

On 31st December 2000, his assets and liabilities were as follows :

	Rs.
Cash at Bank	6,000
Debtors	8,000
Stock	32,000
Furniture	4,000
Creditors	10,000

Ascertain the profit or loss for the year 2000.

Or

(b) From the following details, find out credit purchases :

	Rs.
Creditors opening balance	2,00,000
Creditors closing balance	2,40,000
Cash paid to creditors	10,60,000
Discount earned	60,000
Returns outwards	60,000

15. (a) The minimum rent is agreed at Rs. 5,000 p.a. The actual royalties for first four years were Rs. 2,000, Rs. 3,000, Rs. 6,000 and Rs. 10,000. Short working can be recouped only during first three years. Show the short working account in the books of tenant.

Or

(b) A fire occurred on 1.9.2013 in the godown of Mr. Ganesan. From the following particulars find out the claim to be lodged.

	Rs.
Stock on 1.1.2013	25,300
Purchases from 1.1.2013 to date of fire	50,400
Sales from 1.1.2013 to date of fire	1,56,000
Manufacturing expenses and wages	60,000

	Rs.
Goods taken by Ganesan at cost	2,500
The rate of gross profit on cost is	30%
Value of salvaged stock	3,600

PART C — (5 × 8 = 40 marks)

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

16. (a) What are the reasons for preparing Bank Reconciliation Statement?

Or

(b) Enter the following transactions in the books of Mr. Anandhan :

2000 Jan		Rs.
1	Started the business with cash	10,000
2	Deposited into bank	7,000
3	Goods purchased for cash	500
4	Withdrew from bank for office use	100
5	Credit sales to Krishnan	150
6	Credit purchase from Mohan	500

17. (a) Classify the different types of assets.

Or

(b) The following are the balances extracted from the books of Ganesh as on 31.12.2009. Preparing Trading and Profit and Loss Account for the year ended 31.12.2009 and a balance sheet as on that date.

Debit balances	Rs.	Credit balances	Rs.
Drawings	4,000	Capitals	20,000
Cash at bank	1,700	Sales	16,000
Cash in hand	6,500	Sundry creditors	4,500
Wages	1,000		
Purchases	2,000		
Stock 1.1.2009	6,000		
Buildings	10,000		
Sundry debtors	4,400		
Bill receivable	2,900		
Rent	450		
Commission	250		
General expenses	800		
Furniture	500		
	40,500		40,500

Closing stock Rs. 4,000.

18. (a) A firm purchased a machine on 1st April, 2008 for Rs. 37,000 and spent Rs. 3,000 on its installation. Depreciation is written off at the rate of 10% on the original cost. Accounts are closed in 31st December every year. On 30th June, 2012 the machine was disposed off for Rs. 20,000. Write up the Machinery Account from 2008 to 2012.

Or

(b) What are the features of a bill of exchange?

19. (a) Distinguish between single entry system and double entry system.

Or

(b) Kannan kept his books on single entry system. His position on 31.12.1992 was as follows :

Cash Rs. 250, Bank Rs. 2,750, Stock Rs. 21,000, Debtors Rs. 7,500 Furniture Rs. 1,750, Machinery Rs. 15,000, Creditors Rs. 18,000.

He introduced new capital of Rs. 5,000 during the year and also withdrew @ Rs. 600 every month.

His position on 31.12.1993 was : Cash Rs. 300; Bank Rs. 2,200; Debtors Rs. 12,000; Stock Rs. 18,000; Machinery Rs. 25,000; Creditors Rs. 23,000.

From the above particulars prepare his profit or loss position for the year ended 31.12.1993.

20. (a) Janu took a colliery on lease. The dead rent was Rs. 750 a year, merging into a royalty of 35 paise per tonne of coal raised, with the right to recover shortworkings out of royalties of two subsequent years from the period in which the shortworkings arose.

The output raised were

I Year	—	1,000 tonnes
II Year	—	2,500 tonnes
III Year	—	1,000 tonnes
IV Year	—	1,500 tonnes
V Year	—	1,500 tonnes

Give necessary ledger accounts for each of the five years in the books of Janu.

Or

(b) A fire occurred in the premises of a business unit on 1.9.12 and stock of the value of Rs. 1,01,000 was saved.

	Rs.
Purchased for the year ended 31.3.12	6,80,000
Sales for the year ended 31.3.12	11,00,000
Purchases from 1.4.97 to 1.9.12	2,50,000
Sales from 1.4.12 to 1.9.12	3,60,000
Stock on 31.3.11	3,00,000
Stock on 31.3.12	3,40,000
Stock on 31.3.12 was overvalued by	20,000

Calculate amount of claim.