



PRESIDENCY UNIVERSITY
BENGALURU

SCHOOL OF MANAGEMENT

TEST 1

Sem & AY : Odd Sem 2019-20

Date: 27.09.2019

Course Code: MGT 111

Time: 9:30AM to 10:30AM

Course Name: FINANCIAL ACCOUNTING

Max Marks: 30

Program & Sem: BBA/BBA AVIATION & I

Weightage: 15%

Instructions:

- (i) Answer all the questions.

Part A (Memory Recall Questions)

Answer all the Questions. Each Question carries five marks. (5Qx1M=5M)

1. Identify the correct sequence of Accounting process: (C.O.NO.1) [Knowledge]
A. Communicating -> Recording -> Identifying
B. Recording -> Communicating -> Identifying
C. Identifying -> Communicating -> Recording
D. Identifying -> Recording -> Communicating
2. Purchase of machinery from Mr. A involves two accounts: (C.O.NO.2) [Comprehension]
A. Personal and nominal account B. Real and personal account
C. Real and nominal account D. None of the above
3. Withdrawal of merchandise for personal use is: (C.O.NO.1) [Knowledge]
A. Drawings. B. Sale of merchandise
C. Personal expense D. None of the above
4. The process of finding out the balance of a ledger account is known as: (C.O.NO.2) [Comprehension]
A. Posting B. Calculation
C. Investigation D. Balancing
5. Mr. Jonri invests Rs. 10,000 cash in his business. The account to be credited is: (C.O.NO.2) [Comprehension]
A. Cash B. Profit
C. Income D. Capital

Part B (Thought Provoking Question)

Answer both the Question. Each Question carries five marks. (2Qx5M=10M)

6. Describe the users of Accounting Information Systems. (C.O.NO.1) [Knowledge]

7. From the following balances, prepare a Trial Balance.

Particulars	Amount (Rs.)
Patent	2,000
Sales	20,000
Bills Payable	2,000
Capital	12,000
Returns Outwards	2,000
Bank overdraft	3,000
General expenses	4,000
Purchases	30,000
Outstanding wages	1,000
Debtors	4,000

(C.O.NO.2) [Comprehension]

Part C (Problem Solving Questions)

Answer the Question. The Question carries fifteen marks. (1Qx15M=15M)

8. Journalize the following transactions, and post them into the below Ledger Accounts:

- Cash Account
- Bank Account
- Purchases Account
- Sales Account

2018	Started business with cash Rs. 10,000
Jan 1	Paid into Bank Rs. 5,000
Jan 3	Bought Furniture for Rs. 900
Jan 4	Purchased goods from Mohan & Co. for Rs. 4,000 for cash
Jan 5	Sold goods for Rs. 1,700
Jan 8	Purchased goods for Rs. 1,000 from Bir & Co.
Jan 10	Paid Rs. 100 for advertisement by cheque
Jan 12	Sold goods to Rahul & Co. for Rs. 2,900
Jan 14	Withdrew Rs. 350 from bank for private use
Jan 27	Paid salaries Rs. 600

(C.O.NO.2) [Comprehension]



SCHOOL OF COMMERCE & ECONOMICS

Semester: I

Course Code: MGT111

Course Name: FINANCIAL ACCOUNTING

Date: 27-09-19

Time: 9:30AM to 10:30AM

Max Marks: 30

Weightage: 15%

Extract of question distribution [outcome wise & level wise]

Q.NO	C.O.NO	Unit/Module Number/Unit /Module Title	Memory recall type [Marks allotted] Bloom's Levels			Thought provoking type [Marks allotted] Bloom's Levels			Problem Solving type [Marks allotted]			Total Marks
			K			C			A			
1	1	Module1		K								1
2	2	Module 2					C					1
3	1	Module 1		K								1
4	2	Module 2					C					1
5	2	Module 2					C					1
6	1	Module 1		K								5
7	2	Module 2					C					5
8	2	Module 2					C					15
	Total Marks			7			23					30

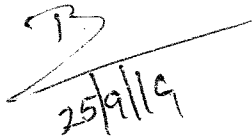
K = Knowledge Level C = Comprehension Level, A = Application Level

Note: While setting all types of questions the general guideline is that about 60%

Of the questions must be such that even a below average students must be able to attempt, About 20% of the questions must be such that only above average students must be able to attempt and finally 20% of the questions must be such that only the bright students must be able to attempt.

{I hereby with certify that all the questions are set as per the above guidelines . Ms. Rajalakshmi}

Reviewer's Comments,


25/9/19

Annexure- II: Format of Answer Scheme

SCHOOL OF COMMERCE & ECONOMICS



SOLUTION

Date: 27-09-19

Semester: I

Time: 9:30AM to 10:30AM

Course Code: MGT111

Max Marks: 30

Course Name: FINANCIAL ACCOUNTING

Weightage: 15%

Part A

(5 x 1 = 5 Marks)

Q No	Solution	Scheme of Marking	Max. Time required for each Question
1	D	01	1 Min
2	B	01	1 Min
3	A	01	1 Min
4	D	01	1 Min
5	D	01	1 Min

Part B

(2Q x 5M = 10Marks)

Q No	Solution	Scheme of Marking	Max. Time required for each Question
6	There are two types of persons interested in financial statements: (1) Internal users, and (2) External users. 1. Internal Users: These are: (a) Shareholders, (b) Management, and (c) Trade unions employees, etc. 2. External Users: (a) Investors (b) Creditors (c) Government (d) Taxation authorities € Consumers (f) Research Scholoar	Introduction – 1 Mark Internal Users – 2 Marks External Users – 2 Marks	10 Mins
7	Total of Trial Balance Rs. 40,000	5Marks	10 Mins

Part C

(1Q x 15M = 15Marks)

Q No	Solution	Scheme of Marking	Max. Time required for each Question
8	<p>Journal Entries 5 Ledger Accounts</p> <ol style="list-style-type: none"> 1. Cash Account Dr. To Capital Account 2. Bank Account Dr. To Cash Account 3. Furniture Account Dr. To Cash Account 4. Purchases Account Dr. To Cash account 5. Cash Account Dr. To Sales Account 6. Purchases Account Dr. To Bir & Co. Account 7. Advertisement Account Dr. To Bank account 8. Rahul & co. Account Dr. To Sales Account 9. Drawings Account Dr. To Bank Account 10. Salaries Account Dr. To Cash Account <ul style="list-style-type: none"> • Cash Ledger Account • Bank Ledger Account • Purchases Account • Sales Account 	<p>5 Marks</p> <p>Each ledger Account – 2 Marks</p> <p>2 Marks for the format</p>	25 Mins



Roll No.

**PRESIDENCY UNIVERSITY
BENGALURU**

SCHOOL OF MANAGEMENT

TEST – 2

Sem & AY: Odd Sem 2019-20

Course Code: MGT111

Course Name: FINANCIAL ACCOUNTING

Program & Sem: BBA, BBA Aviation & I

Date: 16.11.2019

Time: 9.30 AM to 10.30 AM

Max Marks: 30

Weightage: 15%

Instructions:

- (i) *Read the questions properly and answer accordingly*
- (ii) *Question paper consists of three parts*
- (iii) *Use of simple calculator is allowed*

Part A [Memory Recall Questions]

Answer all the Questions. Each Question carries one mark.

(5Qx1M=5M)

1. Closing entries are recorded in (C.O.NO.3) [Comprehension]
(a) Cash book (c) Journal proper
(b) Ledger (d) Purchases book
2. Purchases book is used to record (C.O.NO.3) [Comprehension]
(a) All purchases of goods (c) All credit purchases of goods
(b) All credit purchases of assets (d) All purchases of assets
3. Which of the following is recorded as contra entry? (C.O.NO.3) [Comprehension]
(a) Withdrew cash from bank for personal use (c) Direct payment by the customer in the bank account of the business
(b) Withdrew cash from bank for office use (d) When bank charges interest
4. Under straight line method, the amount of depreciation is (C.O.NO.4) [Comprehension]
(a) Increasing every year (c) Constant for all the years
(b) Decreasing every year (d) Fluctuating every year
5. Depreciation provided on machinery is debited to (C.O.NO.5) [Comprehension]
(a) Depreciation account (c) Trading account
(b) Machinery account (d) Provision for depreciation account

Part B [Thought Provoking Questions]

Answer both the Questions. Each Question carries five marks. (2Qx5M=10M)

6. Explain any five advantages of subsidiary books. (C.O.NO.3) [Comprehension]
7. Anand bought a machinery for Rs. 1,00,000 on 1-1-2015. On 1-6-2016, he bought another machine for Rs. 50,000. On 1-10-2017, he purchased another machine for Rs. 20,000. Provide depreciation at 10% p.a. on straight line method. Prepare machinery account for the years 2015 to 2017 by using accounts by assuming accounts are closed on 31st December every year.

(C.O.NO.4) [Comprehension]

Part C [Problem Solving Questions]

Answer the Question. The Question carries fifteen marks. (1Qx15M=15M)

8. Record the following transactions in three column cash book of Gunasekaran.

2017 Jan (C.O.NO.3) [Comprehension]

- 1 Cash in hand 50,000
- 1 Cash at bank 90,000
- 2 Goods sold on credit to Rohini 15,000
- 5 Cheque received from Rohini in full settlement and deposited into bank Rs. 14,500
- 6 Cash deposited into bank through cash deposit machine Rs.18,000
- 7 Goods sold to Sridhar for Rs. 12,000. He made the payment of Rs. 11,800 by debit card in full settlement by availing a cash discount of Rs. 200
- 10 Money withdrawn from bank for office use Rs. 2,000
- 12 Purchased goods from Raja for Rs. 10,000 and paid through credit card in full settlement by availing a cash discount of Rs. 200
- 14 Nathiya who owed money made the payment through NEFT Rs. 18,000
- 27 Cheque of Rohini dishonoured



SCHOOL OF MANAGEMENT

Semester: I

Course Code: MGT111

Course Name: FINANCIAL MANAGEMENT

Date: 16th Nov, 2019

Time: 1Hour

Max Marks: 30

Weightage: 15%

Extract of question distribution

Q.NO.	C.O.NO	Unit/Module Number/Unit /Module Title	Memory recall type [Marks allotted] Bloom's Levels			Thought provoking type [Marks allotted] Bloom's Levels			Problem Solving type [Marks allotted]			Total Marks
			K			C			A			
1	CO 3	Module 3		C								1
2	CO 3	Module 3		C								1
3	CO 3	Module 3		C								1
4	CO 4	Module 4		C								1
5	CO 4	Module 4		C								1
6	CO 3	Module 3					C					5
7	CO 4	Module 4					C					5
8	CO 3	Module 3					C					15
	Total Marks											30

K =Knowledge Level C = Comprehension Level, A = Application Level

Note: While setting all types of questions the general guideline is that about 60%

Of the questions must be such that even a below average students must be able to attempt, About 20% of the questions must be such that only above average students must be able to attempt and finally 20% of the questions must be such that only the bright students must be able to attempt.

Annexure- II: Format of Answer Scheme



SCHOOL OF MANAGEMENT

SOLUTION

Date: 16th Nov 2019

Time: 1 Hour

Max Marks: 30

Weightage: 15%

Semester: 1

Course Code: MGT111

Course Name: FINANCIAL MANAGEMENT

Branch & Sem: BBA, BBA (AVIATION)

Part A

(5 x 1 = 5 Marks)

Q No	Solution	Scheme of Marking	Max. Time required for each Question
1	(c) Journal proper	1x1=1	2minutes
2	(c) All credit purchases of goods	1x1=1	2minutes
3	(b) Withdrew cash from bank for office use	1x1=1	2minutes
4	(c) Constant for all the years	1x1=1	2minutes
5	(a) Depreciation account	1x1=1	2minutes

Part B

(2x 5 = 10 Marks)

Q No	Solution	Scheme of Marking	Max. Time required for each Question
6.	<p>The advantages of maintaining subsidiary books can be summarised as under:</p> <ul style="list-style-type: none">• Proper and systematic record of business transactions• Convenient posting• Division of work• Efficiency• Helpful in decision making• Prevents errors and frauds• Availability of requisite information at a glance	<p>Explanation of any five Advantages, each explanation carries 1 mark</p>	10 minutes

7	<ul style="list-style-type: none"> Detailed information available Saving in time <p>Calculation of depreciation:</p> <ul style="list-style-type: none"> Depreciation for 2015: 100000*10%= 10000 2016: 100000*10% = 10000 (+) 50000*10%*6/12 = 2500 Total depreciation = 12500 2017: 100000*10% = 10000 (+) 50000*10%= 5000 (+) 20000*10%*3/12 = 500 Total depreciation 15500 <p>Machinery Account Balance c/d Dec 31 is 132000/-</p>	<p>Calculation of depreciation 2 marks</p> <p>Preparation of machinery account carries 3 marks</p>	10 minutes
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Part C

(1 x 15 = 15Marks)

Q No	Solution	Scheme of Marking	Max. Time required for each Question
9	<p>Receipts side: Discount column total 700 Cash column total 52000 Bank column total 152300</p> <p>Payments side: Discount column total 700</p> <p>Cash column Balance 34000 Bank column balance 126000</p>	<p>Each contra entry 2 marks Each normal entry 1.25 marks Format 1 mark</p>	20 minutes



Roll No

**PRESIDENCY UNIVERSITY
BENGALURU**

SCHOOL OF MANAGEMENT

END TERM FINAL EXAMINATION

Semester: Odd Semester: 2019 - 20

Course Code: MGT 111

Course Name: FINANCIAL ACCOUNTING

Program & Sem: BBA,BBA (AVIATION) & I

Date: 3 January 2020

Time: 1:00 PM to 4:00 PM

Max Marks: 100

Weightage: 50%

Instructions:

All are required to be present 10 Minutes prior to start of examination at their examination hall

Part A [Memory Recall Questions]

Answer all the Questions. Each Question carries 2 marks.

(10Qx2M=20M)

1. Define Accounting (C.O.No.1) [Knowledge]
2. Mention all the branches of Accounting (C.O.No.1) [Knowledge]
3. State the Golden Rules of Accounting (C.O.No.2) [Knowledge]
4. Journalize the below transactions (C.O.No.2) [Comprehension]
June 1 Withdrew from bank for office use Rs.5,000
June 2 Withdrew for personal use Rs.1,000
5. What is a Journal Proper? (C.O.No.3) [Knowledge]
6. Mention the source documents for the below books: (C.O.No.3) [Comprehension]
**Purchases book **Purchase Returns book
**Sales book **Sales Returns book
7. Mention all the methods of Depreciation. (C.O.No.4) [Knowledge]
8. State any 4 causes of Depreciation. (C.O.No.4) [Knowledge]
9. Write any 2 objectives of preparing the final accounts? (C.O.No.5) [Knowledge]
10. Classify the below accounts to Trading Account/ Profit and Loss Account/ Balance Sheet. (C.O.No.5) [Comprehension]
 - Sales
 - Interest Received
 - Plant & Machinery
 - Rent

Part B [Thought Provoking Questions]

Answer all the Questions. Each Question carries 8 marks.

(5Qx8M=40M)

11.A What do you mean by Accounting Information System? [1M]

11.B Explain any 7 Users of Accounting. [7M]

(C.O.No.1) [Knowledge]

12. From the following balances extracted from the books of Ashok, prepare a trial balance as on 31st December 2018. (C.O.No.2) [Comprehension]

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
Buildings	20,000	Conveyance charges	3,500
Bills payable	3,000	Salary	5,600
Debtors	20,000	Capital	40,000
Cash at bank	16,800	Furniture	10,000
Insurance paid	1,600	Motor Vehicles	5,000
Rent received	5,000	Patents	2,000
Donation given	2,500	Goodwill	3,000
Loan borrowed	42,000		

13. Explain the different types of Subsidiary books. (C.O.No.3) [Comprehension]

14. M/s Ramco textile mills purchased machinery on 1st April 2014 for Rs. 2,00,000 on cash from M/s. Nila & Co. and spent Rs. 10,000 on its installation. Depreciation is provided at 10% per annum on the written down value method. Prepare machinery account and depreciation account for the first three years. Books are closed on 31st March every year.

(C.O.No.4) [Comprehension]

15. From the following information prepare Trading Account for the year ending 31st March 2019. (C.O.No.5) [Comprehension]

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
Opening stock	50,000	Dock charges on purchases	4,000
Cost of goods manufactured	12,000	Import duty on purchases	3,500
Cash purchases	60,000	Wages	11,000
Cash sales	85,000	Sales returns	3,000
Purchase returns	2,000	Credit purchases	35,000
Carriage inwards	4,000	Credit sales	60,000
Freight outwards	3,000	Other direct expenses	7,000
Coal and fuel	2,500		

Part C [Problem Solving Questions]

Answer both the Questions.

(2Qx20M=40M)

16. (A) Explain any 3 advantages and disadvantages of Accounting.

[5M] (C.O.No.1) [Knowledge]

16. (B) Padmini is a dealer in stationery. She maintains three column cash book. Record the following transactions in her cash book for the month of April, 2018.

[15M] (C.O.No.3) [Comprehension]

2018 April Rs.

- 1 Cash in hand: Rs. 1,00,000; Cash at bank: Rs.1,00,000
- 3 Goods sold to Raji who made the payment through credit card Rs.10,000
- 5 Goods purchased for Rs. 10,000 from Padma Traders. The payment is made after getting a cash discount of Rs. 500 through net banking Rs.9,500
- 6 Purchased furniture from ABC Co. and the payment is made by cheque Rs.8,000
- 9 Purchased goods from TNPL for Rs. 2,10,000 and the payment is made through RTGS after availing a cash discount of Rs. 10,000 Rs.2,00,000
- 21 Supplied stationery items to BHEL for Rs. 33,000 and received the payment through NEFT after allowing a cash discount of for Rs. 1,000 Rs.32,000
- 23 Supplied goods to Thangaraj who made the payment by cheque which is deposited in the bank Rs.20,000
- 27 Thangaraju's cheque is dishonoured
- 30 Bank charged for overdraft facility Rs.200
- 30 Cash deposited into bank Rs.10,000

17. (A) Journalise the following transactions in the books of Mr. Ram Krishna: 2019

[5M] (C.O.No.2) [Comprehension]

- July 1 Mr. Ram Krishna Started business with cash Rs.2,00,000
 July 4 Goods purchased in cash Rs.20,000
 July 5 He deposited in Bank Rs.40,000
 July 7 Goods sold Rs.15,000
 July 10 Goods purchased from Mr. Kamlesh on credit Rs.25,000

17. (B) Consider the following balances extracted from the books of Jain as on 31st December 2018. Prepare the final accounts.

[15M] (C.O.No.5) [Comprehension]

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
Capital	20,000	Office salaries	6,600
Debtors	8,000	Establishment expenses	4,500
Creditors	10,500	Selling expenses	2,300
Purchases	60,000	Furniture	10,000
Sales	80,000	Cash at bank	2,400
Income tax of Jain paid	500	Miscellaneous receipts	600
Opening stock	12,000	Drawings	4,800

Adjustments:

- Salaries outstanding for December 2018, amounted to Rs. 600
- Provide depreciation on furniture @ 10% p.a.
- Provide interest on capital for the year @ 5% p.a
- Stock on 31st December 2019 Rs.14,000



SCHOOL OF COMMERCE

END TERM FINAL EXAMINATION

Extract of question distribution [outcome wise & level wise]

Q.NO	C.O.NO (% age of CO)	Unit/Module Number/Unit /Module Title	Memory recall type [Marks allotted] Bloom's Levels	Thought provoking type [Marks allotted] Bloom's Levels	Problem Solving type [Marks allotted]	Total Marks
			K	C	A	
1	1	1	2			2
2	1	1	2			2
3	2	2	2			2
4	2	2		2		2
5	3	3	2			2
6	3	3		2		2
7	4	4	2			2
8	4	4	2			2
9	5	5	2			2
10	5	5		2		2
11	1	1	8			8
12	2	2		8		8
13	3	3		8		8
14	4	4		8		8
15	5	5		8		8
16	1&3	1&3	5	15		20
17	2&5	2&5		20		20
		Total Marks				100

K = Knowledge Level C = Comprehension Level, A = Application Level

Note: While setting all types of questions the general guideline is that about 60%

Of the questions must be such that even a below average students must be able to attempt, About 20% of the questions must be such that only above average students must be able to attempt and finally 20% of the questions must be such that only the bright students must be able to attempt.

I hereby certify that all the questions are set as per the above guidelines.

Faculty Signature:

Reviewer Commend:

Format of Answer Scheme



SCHOOL OF COMMERCE

SOLUTION

Semester: Odd Sem. 2019-20
Course Code: MGT 111
Course Name: FINANCIAL ACCOUNTING
Program & Sem: BBA, I SEM

Date: 3rd Jan 2020
Time: 3 HRS
Max Marks: 100
Weightage: 50%

Part A

(10Q x 2M = 20Marks)

Q No	Solution	Scheme of Marking	Max. Time required for each Question
1	The definition given by the American Institute of Certified Public Accountants ('AICPA') clearly brings out the meaning of accounting. According to it, accounting is "the art of recording, classifying and summarizing in a significant manner and in terms of money, transactions and events which are, in part at least, of a financial character and interpreting the results thereof".	2 Marks	2 Mins
2	Financial Accounting Cost Accounting Management Accounting	2 Marks	2 Mins
3	Personal Account – Debit the Receiver Credit the Giver Real Account – Debit what comes in Credit what goes out Nominal Account – Debit expenses and losses Credit incomes and gains	2 Marks	2 Mins
4	Cash Account Dr. To Bank Account Drawings Account Dr. To Cash Account	2 Marks	2 Mins
5	Journal proper is a residuary book which contains record of transactions, which do not find a place in the subsidiary books such as cash book, purchases book, sales book, purchases returns book, sales returns book, bills receivable book and bills payable book. a) Opening journal entry b) Closing journal entry c) Adjusting entries d) Transfer entries	2 Marks	2 Mins
6	- Invoice - Debit Note - Invoice	2 Marks	2 Mins

	- Credit Note		
7	Straight line method Diminishing balance method	2 Marks	2 Mins
8	- Wear and tear - Usage - Passage of time - Obsolescence	2 Marks	2 Mins
9	- To know the profitability position - To know the financial position	2 Marks	2 Mins
10	- Trading account - Profit & loss account - Balance sheet - Profit & loss account	2 Marks	2 Mins

Part B

(5Q x 8M = 40 Marks)

Q No	Solution	Scheme of Marking	Max. Time required for each Question
11	Accounting, being the language of business, is used to communicate financial and other information to individuals, organizations, governments etc. about various aspects of business and non-business entities. Users of Accounting Information: There are two types of persons interested in financial statements: (1) Internal users, and (2) External users. 1. Internal Users: These are: (a) Shareholders, (b) Management, and (c) Trade unions employees, etc. External Users: The following are most important external users of financial statements: (a) Investors (b) Creditors, Lenders of Money etc (c) Government: (d) Taxation authorities (e) Stock Exchanges (f) Consumer (g) Researchers	1 Mark 3 Marks 4 Marks	10 Mins
12	Trial Balance – Debit & Credit balance : Rs. 90,000	8 Marks	15 Mins
13	Subsidiary book for entering cash transactions – Cash book (ii) Subsidiary books (special journal) for entering non-cash transactions: A. Purchases book or purchases journal – for recording credit purchase of goods only. Cash purchase or assets purchased on credit are not entered in this book. B. Sales book or sales journal–for recording credit sales of goods only. Assets sold or cash sales are not recorded in this book. C. Purchases returns or returns outward book: for recording the goods returned to the suppliers when purchased on credit. D. Sales returns or returns inward book – for recording goods returned by the customers when sold on credit. E. Bills receivable book – for recording the bills received [Bills Receivables] from customers for credit sales.	8 Marks	15 Mins

