



PRESIDENCY UNIVERSITY

BENGALURU

Roll No.																			
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End - Term Examinations - December 2025

Date: 08 - 12 - 2025

Time: 09:30am - 12:30pm

School: SOC , SOM -UG	Program: BBA/B.Com	
Course Code : CBS1021	Course Name: Fundamentals of Financial Accounting	
Semester: I	Max Marks: 100	Weightage: 50%

CO - Levels	C01	C02	C03	C04	C05
Marks	26	24	26	24	

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Do not write anything on the question paper other than roll number.

Part A

Answer ALL the Questions. Each question carries 2marks.

10Q x 2M=20M

1.	Define the term business entity concept.	2 Marks	L1	C01
2.	What is the cost concept?	2 Marks	L1	C01
3.	Define journal	2 Marks	L1	C02
4.	Mention the importance of subsidiary books.	2 Marks	L2	C02
5.	What is the purpose of a trial balance?	2 Marks	L2	C03
6.	Define diminishing balance method.	2 Marks	L1	C03
7.	What is a trading account?	2 Marks	L2	C04
8.	Define drawings.	2 Marks	L1	C04
9.	What is conservatism convention?	2 Marks	L2	C01
10.	Define cash book.	2 Marks	L1	C01

Part B

Answer ALL the Questions. Each question carries 7 marks.

5Q x 7M = 35M

11.	Explain the various accounting conventions with examples?	07 Marks	L2	CO1
Or				
12.	Describe different types of business entities.	07 Marks	L2	CO1

13.	<p>Prepare the personal ledger account of Shashi in the books of Guru Enterprises.</p> <p>Opening debit balance 35,000 Rs. on 1/4/2024</p> <p>Purchased goods from shashi on credit Rs. 16,000. 4/4/2024</p> <p>Cash paid to shashi Rs. 1,000 on account 6/4/2024</p> <p>Discount allowed by shashi Rs. 500 9/4/2024</p> <p>Cheque paid to shashi Rs. 1,200 11/4/2024</p> <p>Returned goods to shashi Rs. 800 for defective. 22/4/2024</p>	07 Marks	L3	CO2
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Or

14.	<p>From the following prepare simple cash book</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">1/4/2020</td> <td style="width: 55%;">Commenced business with cash</td> <td style="width: 30%; text-align: right;">90,000</td> </tr> <tr> <td>3/4/2020</td> <td>Purchased goods for cash</td> <td style="text-align: right;">15,000</td> </tr> <tr> <td>6/4/2020</td> <td>Sold goods for cash</td> <td style="text-align: right;">42,000</td> </tr> <tr> <td>8/4/2020</td> <td>Paid office rent</td> <td style="text-align: right;">8,000</td> </tr> <tr> <td>11/4/2020</td> <td>Purchased office furniture</td> <td style="text-align: right;">7,000</td> </tr> <tr> <td>14/4/2020</td> <td>Received commission</td> <td style="text-align: right;">14,000</td> </tr> <tr> <td>18/4/2020</td> <td>Paid salary</td> <td style="text-align: right;">8,000</td> </tr> </table>	1/4/2020	Commenced business with cash	90,000	3/4/2020	Purchased goods for cash	15,000	6/4/2020	Sold goods for cash	42,000	8/4/2020	Paid office rent	8,000	11/4/2020	Purchased office furniture	7,000	14/4/2020	Received commission	14,000	18/4/2020	Paid salary	8,000	07 Marks	L3	CO2
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15.	<p>From the following details prepare Sales book in the books of Shyam enterprises.(Furniture Dealer)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">1/8/2024</td> <td style="width: 55%;"> <p>Sold the following to Guru furniture, Bengaluru.</p> <p>19 tables @ 12,000 each</p> <p>22 chairs @ 4,000 each</p> <p>40 Bed @ 3,600 each</p> <p>Transportation charges Rs. 3,400 and trade discount @5%</p> </td> </tr> <tr> <td>6/8/2024</td> <td>Sold 18 tables @ 14,000 each for cash from Nandi enterprises, Mysuru.</td> </tr> <tr> <td>9/8/2024</td> <td> <p>Sold the following from Harikrishna furniture, Chennai.</p> <p>25 tables@ 12,000 each</p> <p>20 chairs @ 8,200 each</p> <p>21 Dinning tables @ 4,500 each</p> <p>Trade discount 8% and packing and delivery charges Rs. 1,400</p> </td> </tr> </table>	1/8/2024	<p>Sold the following to Guru furniture, Bengaluru.</p> <p>19 tables @ 12,000 each</p> <p>22 chairs @ 4,000 each</p> <p>40 Bed @ 3,600 each</p> <p>Transportation charges Rs. 3,400 and trade discount @5%</p>	6/8/2024	Sold 18 tables @ 14,000 each for cash from Nandi enterprises, Mysuru.	9/8/2024	<p>Sold the following from Harikrishna furniture, Chennai.</p> <p>25 tables@ 12,000 each</p> <p>20 chairs @ 8,200 each</p> <p>21 Dinning tables @ 4,500 each</p> <p>Trade discount 8% and packing and delivery charges Rs. 1,400</p>	07 Marks	L3	CO2
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Or

16.	From the following details prepare cash book with cash and bank column.		07 Marks	L3	CO2	
	1/5/2024	Started business with cash				1,28,000
	3/5/2024	Opened a bank A/c with HDFC by depositing				44,000
	5/5/2024	Purchased goods for cash				12,000
	6/5/2024	Sold goods for cash				28,000
	8/5/2024	Purchased furniture and paid by cheque				12,000
	9/5/2024	Sold goods and received cheque				13,000
	11/5/2024	Above cheque deposited into bank				13,000
	14/5/2024	Withdrawn cash from bank for personal use				4,000
	15/5/2024	Paid salary by cheque				4,500
	17/5/2024	Withdrawn cash from bank for office use				2,000

17.	Gopalkrishna purchased Building worth Rs. 13,00,000 on 1/4/2011 and provide depreciation under original cost method at 10% p.a. prepare Building A/c for 3 years	07 Marks	L3	CO3
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Or

18.	PQR Co Ltd purchased machinery worth Rs. 1, 20,000 on 1/4/2013 and provide depreciation under WDV method at 8% p.a. Prepare machinery A/c for 3 years.	07 Marks	L3	CO3
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19.	From the following details prepare the balance sheet of YES Enterprises for the year ending 31 st March 2019.		07 Marks	L3	CO4	
	Particulars	Debit				Credit
	Land and Buildings	5,00,000				
	Plant and Machinery	4,00,000				
	Furniture	1,00,000				
	Capital					10,00,000
	Debtors	50,000				
	Bills Receivables	40,000				
	Creditors					40,000
	Bills payable					50,000
	Cash in hand	10,000				
	Cash at Bank	40,000				
	Inventories	50,000				
	Bank loan					1,00,000
TOTAL	11,90,000	11,90,000				

Or

20.	From the following details furnished by Guru Co. Ltd. Prepare the Profit and Loss A/c for the year ending 31st march 2021.	07 Marks	L3	CO4
	Gross profit	10,20,000		
	Salary	15,000		
	Commission received	10,000		
	Office expenses	14,000		
	Carriage out words	8,000		
	Sales expenses	11,000		
	Advertisement expenses	12,500		
	Discount allowed	8,500		
	Office rent	17,000		
	Insurance	12,000		
	General expenses	14,500		

Part C

Answer any three Questions. Each question carries 15marks

3Q x 15M=45M

21.	Smart Co Ltd purchased printing machine worth Rs. 2,00,000 on 1/4/2018. Company decided to provide depreciation under Written down value method at the rate of 10% p.a. Prepare machine and depreciation account for 5 years.	15 Marks	L3	CO3
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22.	From the following details prepare the journal and post the same into respective ledger A/c and balance the same in the books of SAMEER Enterprise.	15 Marks	L3	CO2		
	Date				Particulars	Amount
	1/4/2014				Commenced business with cash	1,10,000
	4/4/2014				Purchased goods for cash	25,000
	5/4/2014				Sold goods for cash	56,000
	7/4/2014				Purchased goods from Ramkrishna on credit	18,000
	8/4/2014				Sold goods to Harish on credit	45,000
	10/4/2014				Received cash from Harish on account.	15,000
	15/4/2014				Paid cash to Ramkrishna on account	14,000
	18/4/2014				Allowed discount to Harish	1,000
	19/4/2014				Paid salary to accountant	4,000
	21/4/2014				Received commission	4,500
	25/4/2014				Paid office rent	5,500
	28/4/2014				Discount allowed by Ramkrishna	500

23.	Write the accounting concepts and explain with examples.	15 Marks	L1	CO1
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24.

From the following details prepare final accounts of Mr. Suraj for the financial year ending 31st march 2025.

15 Marks

L3

C04

S.No	Name of the accounts	Debit	Credit
1	Opening stock	1,00,000	
2	Purchases	3,50,000	
3	Sales return	50,000	
4	Wages	75,000	
5	Carriage outwards	25,000	
6	Salary	1,00,000	
7	Carriage inwards	25,000	
8	Sales		7,25,000
9	Land and building	2,50,000	
10	Plant and machinery	1,50,000	
11	Furniture	50,000	
12	Bank loan		1,00,000
13	Sundry creditors		50,000
14	Capital		4,00,000
15	Drawings	50,000	
14	Cash in hand	60,000	
15	Cash at Bank	40,000	
16	Bills payable		1,00,000
17	Sundry debtors	10,000	
18	Bills receivable	5,000	
19	Advertisement expenses	5,000	
20	Printing and stationery	15,000	
21	General expenses	15,000	
	TOTAL	13,75,000	13,75,000

Adjustments:

1. Closing stock valued at Rs. 45,000
2. Provide depreciation on plant and machinery at 10%
3. Provide bad debts 5,000
4. Provide appreciation on land and buildings at 15%
5. Outstanding printing expenses Rs. 5,000.

25.	From the following details prepare trial balance? How do you treat if trial balance is not tallied?	15 Marks	L3	C03																																																																															
	<table border="1"> <thead> <tr> <th data-bbox="327 237 384 282">S.No</th> <th data-bbox="384 237 984 282">Name of the accounts</th> <th data-bbox="984 237 1193 282">Amount</th> </tr> </thead> <tbody> <tr><td>1</td><td>Capital</td><td>8,00,000</td></tr> <tr><td>2</td><td>Land and Buildings</td><td>4,00,000</td></tr> <tr><td>3</td><td>Plant and Machinery</td><td>5,00,000</td></tr> <tr><td>4</td><td>Furniture</td><td>1,00,000</td></tr> <tr><td>5</td><td>Loan from bank</td><td>8,00,000</td></tr> <tr><td>6</td><td>Cash Balance</td><td>3,00,000</td></tr> <tr><td>7</td><td>Inventory</td><td>2,50,000</td></tr> <tr><td>8</td><td>Sundry Debtors</td><td>1,50,000</td></tr> <tr><td>9</td><td>Bills Receivable</td><td>1,00,000</td></tr> <tr><td>10</td><td>Creditors</td><td>2,00,000</td></tr> <tr><td>11</td><td>Bills payable</td><td>1,00,000</td></tr> <tr><td>12</td><td>Patent and Copyright</td><td>3,00,000</td></tr> <tr><td>13</td><td>Bank overdraft</td><td>50,000</td></tr> <tr><td>14</td><td>Salary</td><td>20,000</td></tr> <tr><td>15</td><td>Carriage in words</td><td>10,000</td></tr> <tr><td>16</td><td>Carriage out wards</td><td>20,000</td></tr> <tr><td>17</td><td>Interest received</td><td>75,000</td></tr> <tr><td>18</td><td>Wages</td><td>50,000</td></tr> <tr><td>19</td><td>Manufacturing expenses</td><td>25,000</td></tr> <tr><td>20</td><td>Profit on sale of machinery</td><td>40,000</td></tr> <tr><td>21</td><td>GST</td><td>35,000</td></tr> <tr><td>22</td><td>Transportation expenses</td><td>5,000</td></tr> <tr><td>23</td><td>Purchase</td><td>4,50,000</td></tr> <tr><td>24</td><td>Sales return</td><td>1,50,000</td></tr> <tr><td>25</td><td>Sales</td><td>6,00,000</td></tr> </tbody> </table>	S.No	Name of the accounts	Amount	1	Capital	8,00,000	2	Land and Buildings	4,00,000	3	Plant and Machinery	5,00,000	4	Furniture	1,00,000	5	Loan from bank	8,00,000	6	Cash Balance	3,00,000	7	Inventory	2,50,000	8	Sundry Debtors	1,50,000	9	Bills Receivable	1,00,000	10	Creditors	2,00,000	11	Bills payable	1,00,000	12	Patent and Copyright	3,00,000	13	Bank overdraft	50,000	14	Salary	20,000	15	Carriage in words	10,000	16	Carriage out wards	20,000	17	Interest received	75,000	18	Wages	50,000	19	Manufacturing expenses	25,000	20	Profit on sale of machinery	40,000	21	GST	35,000	22	Transportation expenses	5,000	23	Purchase	4,50,000	24	Sales return	1,50,000	25	Sales	6,00,000				
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