



**PRESIDENCY UNIVERSITY
BENGALURU**

**SCHOOL OF COMMERCE
END TERM EXAMINATION - JAN 2023**

Semester : Semester I - 2022

Course Code : SOC2001

Course Name : Sem I - SOC2001 - Financial Accounting

Program : BBA (All) / B.Com / B.Com (Hons.)

Date : 12-JAN-2023

Time : 1.00PM - 4.00PM

Max Marks : 100

Weightage : 50%

Instructions:

- (i) Read all questions carefully and answer accordingly.
(ii) Question paper consists of 3 parts.
(iii) Scientific and non-programmable calculator are permitted.

PART A

ANSWER ALL THE FOLLOWING QUESTIONS

10 X 2 = 20M

1. What is Suspense account?
(CO1) [Knowledge]
2. What is Prudence principle in accounting?
(CO2) [Knowledge]
3. What is Debit note?
(CO3) [Knowledge]
4. Cash price= Rs.26,350, Down payment= Rs.10,000, Three yearly installment is Rs.6,000 each. Calculate total interest payable under hire purchase system.
(CO4) [Knowledge]
5. What is Objectivity principle?
(CO1) [Knowledge]
6. Give one example for Representative personal account.
(CO2) [Comprehension]
7. Write any two advantages of Subsidiary books.
(CO3) [Comprehension]
8. Write any two differences between Hire purchase and Installment method.
(CO4) [Comprehension]
9. What is Down payment?
(CO4) [Comprehension]
10. What are Subsidiary books?
(CO3) [Comprehension]

PART B

ANSWER ALL THE FOLLOWING QUESTIONS

4 X 10 = 40M

11. Journalise the following transactions in the books of Mr. Ram Krishna for July 2019.

July 1 Mr. Ram Krishna Started business with cash 2,00,000
July 4 Goods purchased in cash 20,000
July 5 He deposited in Bank 40,000
July 7 Goods sold 15,000
July 10 Goods purchased from Mr. Kamlesh on credit 25,000
July 11 Furniture purchased 18,000
July 12 Wages paid 4,000
July 20 Interest received 500
July 25 Cash paid to Mr. Kamlesh 25,000
July 30 Additional capital brought by Mr. Ram Krishna 50,000

(CO2) [Comprehension]

12. From the transactions given below, prepare the sales book of Kumar Stationery for July 2017.

July 5 :Sold on credit to Saravana Traders of Sayalkudi

- 10 packs of A4 sheets @ Rs. 250 per pack
- 10 dozens of writing pads @ Rs. 850 per dozen
- Less : 10% trade discount for both

July 8: Sold to Raja for cash

- 15 packs of A4 sheets @ Rs. 250 per pack

July 20: Sold to Mohan & Co. of Mudukulathur

- 5 white boards @ Rs. 2,200 each
- 10 dozens of writing pads @ Rs. 850 per dozen

July 23: Sold on credit to Narayanan old motor car for Rs. 5,000

July 28: Sold to Kumaran for cash 15 packets of marker pens @ Rs. 250 per packet

(CO3) [Comprehension]

13. Prepare three column cash book in the books of Mr. Thiru for the month of March 2017.

1st Cash in hand 12,000
Cash at bank 15,000

2nd Cash paid into bank 11,000

5th Goods sold Rs. 18,500. Half of it is received in cash and half of it is received by cheque which is immediately deposited in the bank.

6th Sold on credit to Jayaraj for 7,000

8th Jayaraj sent a cheque in full settlement 6,900

12th Jayaraj's cheque was sent to bank

14th Bought goods from Iqbal and issued a cheque to him immediately 8,500

15th Bought goods from Murali on credit 4,000

19th Received a cheque from Kannappan in full settlement of his account of Rs. 2,000 - 1,975

20th Drew cash Rs. 3,000 and by cheque Rs. 5,000 for personal use

(CO3) [Comprehension]

14. Calculate the Total Purchase Price paid.

Cash Price Rs.24,000
Downpayment Rs.6,000
The balance paid in 3 installments of Rs.6,000 each
Interest is charged 5% p.a

(CO4) [Comprehension]

PART C

ANSWER ALL THE FOLLOWING QUESTIONS

2 X 20 = 40M

- 15.** Mr.Ashok purchased a machine on hire purchase system from Bharath Motors on 01.04.2020.the cash price of the machine was Rs.74,500 and the payment was to be made as follows:On signing the agreement Rs. 20,000 and the balance in 3 Installments of Rs.20,000 each at the end of each year. 5% Interest is charged by the vendor. Mr.Ashok has decided to write off 10% depreciation annually on the diminishing balance method. Pass the ledger accounts in the books of Mr.Ashok under Assets Accrual Method.

(CO4) [Comprehension]

- 16.** Enter the following transactions in the journal and ledger of Murali of New Delhi for the month of March 2019.

Mar. 1st Murali commenced business with cash 90,000
4th Purchased goods for cash 6,000
5th Deposited into bank 40,000
6th Withdrew from bank for office use 4,500
8th Sold goods to Raja 4,800
12th Purchased goods on credit from Kathar 1,380
15th Received from Raj Rs.4,650 and allowed him discount 150
20th Cash sales 7,200
28th Paid to Kathar in full settlement 1,300
30 Paid rent 300 and Paid salary 1,600

(CO2) [Application]
