

**PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)**

**BBA DEGREE EXAMINATION MAY 2025
(First Semester)**

Common to Branches – **BUSINESS ADMINISTRATION/ BUSINESS ADMINISTRATION
(INFORMATION SYSTEM)/ BUSINESS ADMINISTRATION (LOGISTICS)**

FINANCIAL ACCOUNTING / ACCOUNTING FOR MANAGERS

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** marks

(10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	The Bills payable account is a _____ a) Journal b) Ledger c) Accounts d) Both A and B	K1	CO1
	2	Capital Account is _____ a) Asset b) Liability c) An expense d) None of these	K2	CO1
2	3	Who prepares a debit note? a) Seller b) Purchaser c) cashier d) None of these	K3	CO2
	4	Double sided errors affect _____ a) One account b) Two accounts only c) Two accounts or more accounts d) None of these	K3	CO2
3	5	Which of the options is an example of business liability? a) Creditors b) Cash c) Building d) Land	K5	CO3
	6	Closing stock is recorded ----- a) Balance sheet only b) P and L a/c c) Balance sheet and trading a/c d) None of these	K5	CO3
4	7	Which of the following asset generally assumed not to depreciate? a) Machinery b) Building c) Land d) All of the above	K3	CO4
	8	Depreciation is charged on the _____ a) Sale c) Market value b) Purchase value d) Depreciable Value	K4	CO4
5	9	The grace days for a bill is a) 3 days b) 4 days c) 5 days d) 6 days	K4	CO5
	10	A Bill of Exchange is dishonored by _____ a) Drawer b) Drawee c) Bank d) None of these	K4	CO5

SECTION - B (35 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** Marks

(5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	State the principles of Accounting.	K2	CO1
		(OR)		
	11.b.	Record the following transactions in the personal account of Kapil: 2022 Apr 1 Sold goods to Kapil Rs.6,000 5 Cash received from Kapil Rs.5800 and Allowed him discount Rs.200 18 Kapil purchased goods Rs.8000 30 Received cash from Kapil on account Rs.4,500 May 1 Balance from last month b/d Rs.3,500 12 Sold goods to Kapil Rs.12,000 22 Received Cash from Kapil Rs.4,850 And allowed him discount Rs.150 31 Received cash in full settlement of Kapil's a/c Rs.10,250		
2	12.a.	Enumerate the different types of rectification of errors.	K3	CO2
		(OR)		
	12.b.	Rectify the following errors: (a) Purchases Book is over cast by Rs.300 (for the month of March). (b) Sales book has been under cast by Rs.200 (c) Purchase Returns book has been over cast by Rs.75 (d) Sales Returns book has been under cast by Rs.50		
3	13.a.	Give the specimen of Profit and loss A/C.	K3	CO3
		(OR)		

Cont...

	13.b.	From the following balances extracted at the close of the year ended 31 st Dec 2021, prepare profit and loss account of Mr. Raj as at that date:				K3	CO3
			Rs.		Rs.		
		Gross profit	55,000	Repairs	500		
		Carriage on sales	500	Telephone expenses	520		
		Office rent	500	Interest (Dr.)	480		
		General expenses	900	Fire insurance premium	900		
		Discount to customers	360	Bad debts	2,100		
		Interest from bank	200	Apprentice Premium (Cr.)	1,500		
		Travelling expenses	700	Printing and Stationery	2,500		
		Salaries	900	Trade expenses	300		
		Commission	300				
4	14.a.	A company purchased a plant for Rs.50,000. The useful life of the plant is 10 years and the residual value is Rs.10,000. Find out the rate of depreciation under the straight line method.				K4	CO4
	(OR)						
	14.b.	List out the advantages of annuity.					
5	15.a.	List out the salient features of Bill of Exchange.				K4	CO5
	(OR)						
	15.b.	On 1-1-2019, Jayanthi sold goods to Devi on Credit for Rs.2,000 and drew a bill on Devi for Rs.2,000 for 3 months after date. Devi accepted it on 3-1-2019 and returned it to Jayanthi. On Maturity, the bill was duly honored by Devi. Pass Journal entries in the books of both the parties.					

SECTION -C (30 Marks)

Answer ANY THREE questions

ALL questions carry EQUAL Marks

(3 × 10 = 30)

(5 × 10 = 50)

Module No.	Question No.	Question	K Level	CO																																												
1	16	Explain the various steps in the accounting cycle.	K1	CO1																																												
2	17	<p>Correct the following errors found in the books of Mr. Dhandapani. The Trial balance was out by Rs.986, excess credit. The difference has been posted to a suspense account.</p> <p>i) A Sale of Rs.400 to Bobby & Co., was wrongly credited to their account.</p> <p>ii) A Purchase of Rs.134 had been posted to the creditor's account as Rs.120.</p> <p>iii) The total of returns inward book for December had been cast Rs.200 short</p> <p>iv) A Cheque for Rs.400 received from Sandhya had been dishonoured and was posted to the debit of "Allowance Account".</p>	K3	CO2																																												
3	18	<p>The following are the ledger balances extracted from the books of Weifa.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th><th>Rs.</th><th></th><th>Rs.</th></tr> </thead> <tbody> <tr> <td>Weifa's capital</td><td>50,000</td><td>Sales</td><td>3,01,000</td></tr> <tr> <td>Bank Overdraft</td><td>8,400</td><td>Return inward</td><td>5,000</td></tr> <tr> <td>Furniture</td><td>5,200</td><td>Discount (Cr.)</td><td>800</td></tr> <tr> <td>Business premises</td><td>40,000</td><td>Taxes & Insurance</td><td>4,000</td></tr> <tr> <td>Creditors</td><td>26,600</td><td>General Expenses</td><td>8,000</td></tr> <tr> <td>Opening stock</td><td>44,000</td><td>Salaries</td><td>18,000</td></tr> <tr> <td>Debtors</td><td>36,000</td><td>Commission allowed</td><td>4,400</td></tr> <tr> <td>Rent from tenants</td><td>2,000</td><td>Carriage on purchases</td><td>3,600</td></tr> <tr> <td>Purchases</td><td>2,20,000</td><td>Provision for Doubtful debts</td><td>1,000</td></tr> <tr> <td></td><td></td><td>Bad debts written off</td><td>1,600</td></tr> </tbody> </table> <p><u>Adjustments:</u></p> <p>i) Stock on hand on 31-12-2020 was estimated as Rs.40,120</p> <p>ii) Write off depreciation on business premises Rs.600 and furniture Rs.520</p> <p>iii) Make a provision of 5% on debtors for bad & doubtful debts</p> <p>iv) Allow interest on capital at 5% and carry forward Rs.1,400 for unexpired insurance.</p> <p>Prepare Final Account for the year ended 31-12-2020.</p>		Rs.		Rs.	Weifa's capital	50,000	Sales	3,01,000	Bank Overdraft	8,400	Return inward	5,000	Furniture	5,200	Discount (Cr.)	800	Business premises	40,000	Taxes & Insurance	4,000	Creditors	26,600	General Expenses	8,000	Opening stock	44,000	Salaries	18,000	Debtors	36,000	Commission allowed	4,400	Rent from tenants	2,000	Carriage on purchases	3,600	Purchases	2,20,000	Provision for Doubtful debts	1,000			Bad debts written off	1,600	K4	CO3
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4	19	Evaluate the various methods of Depreciation.	K3	CO4																																												
5	20	<p>For their mutual accommodation, Pal draws a bill on Gani for Rs.8,000 for 3 months on 1-1-2021 Gani accepts the bill and returns it to Pal. Pal discounts the bill with the bank for Rs.7,900 and remits half the proceeds to Gani, Before maturity Pal remits the amount due to Gani and Gani honours the Bill. Shows the entries in the books of Pal and Gani.</p>	K4	CO5																																												