

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCA DEGREE EXAMINATION DECEMBER 2025
(Third Semester)

Branch – COMPUTER APPLICATIONS

ACCOUNTING & INSURANCE

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 rule for real account is _____. a) debit what comes in; credit what goes out b) debit what goes in; credit what comes out c) debit what goes out; credit what comes in d) debit what was received; credit what was paid	K1	CO1
	2	The Trial Balance shows only _____ accuracy. a) arithmetical b) accounting c) historical d) financial	K2	CO1
2	3	Which of the following items is shown on the debit side of the Profit and Loss Account? a) Rent received b) Discount received c) Salaries and wages d) Interest earned	K1	CO2
	4	The Trading Account is prepared to find out: a) Net profit or net loss b) Gross profit or gross loss c) Financial position of the business d) Total capital employed	K2	CO2
3	5	Which of the following is an example of a fixed cost? a) Direct labor b) Raw materials c) Rent of factory d) Production supplies	K1	CO3
	6	Which of the following is NOT included in a cost sheet? a) Prime cost b) Production cost c) Profit on sales d) Administrative overheads	K2	CO3
4	7	Which of the following is a key function of insurance? a) Risk pooling b) Creation of risk c) Speculative investment d) Debt financing	K1	CO4
	8	What is the primary function of insurance with regard to risk? a) To eliminate risk b) To transfer risk c) To create risk d) To increase risk	K2	CO4
5	9	What does non-life insurance primarily cover? a) Human life b) Assets and properties c) Future income d) Retirement benefits	K1	CO5
	10	Which of the following is an example of non-life insurance? a) Term life insurance b) Whole life insurance c) Fire insurance d) Endowment policy	K2	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.	Ananth is a trader dealing in textiles. For the following transactions, pass journal entries for the month of January, 2018. Jan. 1 Commenced business with cash Rs.70,000 2 Purchased goods from X and Co. on credit Rs. 30,000 3 Cash deposited into bank Rs. 40,000 4 Bought a building from L and Co. on credit Rs. 95,000 5 Cash withdrawn from bank for office use Rs. 5,000 (OR)	K3	CO1
	11.b.	Prepare a trial balance after the following adjustments: • Opening cash: Rs.8,000 • Sales: Rs.50,000 • Purchases Rs.30,000 • Rent: Rs.4,000 • Capital: Rs.35,000 • Wages paid: Rs.3,000 • Creditors: Rs.15,000		

Cont...

2	12.a.	Prepare the profit and loss account from the following particulars:	K4	CO2																										
		<table border="1"> <thead> <tr> <th>Particulars</th> <th>Rs.</th> </tr> </thead> <tbody> <tr><td>Gross profit</td><td>2,56,250</td></tr> <tr><td>Rent</td><td>6,500</td></tr> <tr><td>Commissions paid</td><td>3,250</td></tr> <tr><td>Salaries</td><td>9,750</td></tr> <tr><td>Taxes</td><td>9,750</td></tr> <tr><td>Trade expenses</td><td>1,625</td></tr> <tr><td>Bank charges</td><td>1,950</td></tr> <tr><td>Printing & stationery</td><td>8,125</td></tr> <tr><td>Packing charges</td><td>1,625</td></tr> <tr><td>Carriage outward</td><td>6,500</td></tr> <tr><td>Discount received</td><td>3,250</td></tr> <tr><td>Discount allowed</td><td>2,112</td></tr> <tr><td>Bad debts</td><td>2,438</td></tr> <tr><td>Depreciation on plant</td><td>4,875</td></tr> </tbody> </table>			Particulars	Rs.	Gross profit	2,56,250	Rent	6,500	Commissions paid	3,250	Salaries	9,750	Taxes	9,750	Trade expenses	1,625	Bank charges	1,950	Printing & stationery	8,125	Packing charges	1,625	Carriage outward	6,500	Discount received	3,250	Discount allowed	2,112
Particulars	Rs.																													
Gross profit	2,56,250																													
Rent	6,500																													
Commissions paid	3,250																													
Salaries	9,750																													
Taxes	9,750																													
Trade expenses	1,625																													
Bank charges	1,950																													
Printing & stationery	8,125																													
Packing charges	1,625																													
Carriage outward	6,500																													
Discount received	3,250																													
Discount allowed	2,112																													
Bad debts	2,438																													
Depreciation on plant	4,875																													
(OR)																														
3	12.b.	Distinguish between Trading account and Profit and Loss account.	K4	CO3																										
	13.a.	You are required to compile a statement showing cost and profit from the information given, showing clearly a) Materials consumed b) Prime Cost c) Works Cost d) Cost of Production e) Cost of Sales, f) Profit and g) Sales.																												
4	13.b.	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Rs.</th> </tr> </thead> <tbody> <tr><td>Materials Purchased</td><td>2,00,000</td></tr> <tr><td>Wages</td><td>1,00,000</td></tr> <tr><td>Direct Expenses</td><td>20,000</td></tr> <tr><td>Opening Stock of Materials</td><td>40,000</td></tr> <tr><td>Closing Stock of Materials</td><td>60,000</td></tr> </tbody> </table> <p>Factory overhead is absorbed at 20% on wages. Administration overhead is 25% on Work cost. Selling and distribution overhead are 20% on Cost of Production and Profit is 20% on sales.</p>	Particulars	Rs.	Materials Purchased	2,00,000	Wages	1,00,000	Direct Expenses	20,000	Opening Stock of Materials	40,000	Closing Stock of Materials	60,000	(OR)	K3	CO4													
Particulars	Rs.																													
Materials Purchased	2,00,000																													
Wages	1,00,000																													
Direct Expenses	20,000																													
Opening Stock of Materials	40,000																													
Closing Stock of Materials	60,000																													
14.a.	Mention the difference between Cost Accounting and Financial Accounting.																													
5	14.b.	Analyse the Concept of Risk Appraisal.	(OR)	K2	CO5																									
	15.a.	Examine the significant role of Insurance.																												
5	15.b.	List down the unique features of Non- Life Insurance.	(OR)	K2	CO5																									
		Explain the concept of Marine Insurance.																												

SECTION -C (30 Marks)

Answer ANY THREE questions

ALL questions carry EQUAL Marks

 $(3 \times 10 = 30)$

Module No.	Question No.	Question	K Level	CO																																							
1	16	<p>Journalize the following transactions of M/s Mallika Fashion House and post the entries to the Ledger:</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Details</th> <th>Amount</th> </tr> <tr> <th></th> <th></th> <th>Rs.</th> </tr> </thead> <tbody> <tr><td>2017</td><td></td><td></td></tr> <tr><td>June 05</td><td>Business started with cash</td><td>2,00,000</td></tr> <tr><td>June 08</td><td>Opened a bank account with Syndicate Bank</td><td>80,000</td></tr> <tr><td>June 12</td><td>Goods purchased on credit from M/s Gulmohar Fashion House</td><td>30,000</td></tr> <tr><td>June 12</td><td>Purchase office machines, paid by cheque</td><td>20,000</td></tr> <tr><td>June 18</td><td>Rent paid by cheque</td><td>5,000</td></tr> <tr><td>June 20</td><td>Sale of goods on credit to M/s Mohit Bros</td><td>10,000</td></tr> <tr><td>June 22</td><td>Cash sales</td><td>15,000</td></tr> <tr><td>June 25</td><td>Cash paid to M/s Gulmohar Fashion House</td><td>30,000</td></tr> <tr><td>June 28</td><td>Received a cheque from M/s Mohit Bros</td><td>10,000</td></tr> <tr><td>June 30</td><td>Salary paid in cash</td><td>6,000</td></tr> </tbody> </table>	Date	Details	Amount			Rs.	2017			June 05	Business started with cash	2,00,000	June 08	Opened a bank account with Syndicate Bank	80,000	June 12	Goods purchased on credit from M/s Gulmohar Fashion House	30,000	June 12	Purchase office machines, paid by cheque	20,000	June 18	Rent paid by cheque	5,000	June 20	Sale of goods on credit to M/s Mohit Bros	10,000	June 22	Cash sales	15,000	June 25	Cash paid to M/s Gulmohar Fashion House	30,000	June 28	Received a cheque from M/s Mohit Bros	10,000	June 30	Salary paid in cash	6,000	K4	CO1
Date	Details	Amount																																									
		Rs.																																									
2017																																											
June 05	Business started with cash	2,00,000																																									
June 08	Opened a bank account with Syndicate Bank	80,000																																									
June 12	Goods purchased on credit from M/s Gulmohar Fashion House	30,000																																									
June 12	Purchase office machines, paid by cheque	20,000																																									
June 18	Rent paid by cheque	5,000																																									
June 20	Sale of goods on credit to M/s Mohit Bros	10,000																																									
June 22	Cash sales	15,000																																									
June 25	Cash paid to M/s Gulmohar Fashion House	30,000																																									
June 28	Received a cheque from M/s Mohit Bros	10,000																																									
June 30	Salary paid in cash	6,000																																									

		From the following particulars trading and profit & loss a/c and the balance sheet for the year ended 31.12.2022.																																																						
2	17	<table border="1"> <thead> <tr> <th>Particulars</th><th>Debit</th><th>Particulars</th><th>Credit</th></tr> </thead> <tbody> <tr><td>Insurance</td><td>3,600</td><td>General exp</td><td>4,020</td></tr> <tr><td>Cash & bank</td><td>9,300</td><td>Sales</td><td>4,38,000</td></tr> <tr><td>Machinery</td><td>36,000</td><td>Sales return</td><td>3,900</td></tr> <tr><td>Wages</td><td>35,400</td><td>Salaries</td><td>12,630</td></tr> <tr><td>Opening stock</td><td>17,100</td><td>Purchases</td><td>2,17,500</td></tr> <tr><td>Fuel & power</td><td>9,645</td><td>Motor car expenses</td><td>9,162</td></tr> <tr><td>Drawings</td><td>12,000</td><td>Rent</td><td>5,400</td></tr> <tr><td>Sundry debtors</td><td>78,000</td><td>Carriage inward</td><td>3,060</td></tr> <tr><td>Sundry creditors</td><td>33,000</td><td>Carriage outward</td><td>2,445</td></tr> <tr><td>Cash in hand</td><td>3,588</td><td>Capital</td><td>30,000</td></tr> <tr><td>Furniture</td><td>5,250</td><td></td><td></td></tr> <tr><td>Motor car</td><td>33,000</td><td></td><td></td></tr> </tbody> </table> <p>Adjustments:</p> <ul style="list-style-type: none"> Stock as on 31.12.2022 Rs.52,500. Write off debts Rs. 3,000 and make provision for doubtful debts @5% on sundry debtors. Commission earned but not yet received Rs. 5,400 Depreciate Machinery & furniture by 10% and motor car by 20% 	Particulars	Debit	Particulars	Credit	Insurance	3,600	General exp	4,020	Cash & bank	9,300	Sales	4,38,000	Machinery	36,000	Sales return	3,900	Wages	35,400	Salaries	12,630	Opening stock	17,100	Purchases	2,17,500	Fuel & power	9,645	Motor car expenses	9,162	Drawings	12,000	Rent	5,400	Sundry debtors	78,000	Carriage inward	3,060	Sundry creditors	33,000	Carriage outward	2,445	Cash in hand	3,588	Capital	30,000	Furniture	5,250			Motor car	33,000			K4	CO2
Particulars	Debit	Particulars	Credit																																																					
Insurance	3,600	General exp	4,020																																																					
Cash & bank	9,300	Sales	4,38,000																																																					
Machinery	36,000	Sales return	3,900																																																					
Wages	35,400	Salaries	12,630																																																					
Opening stock	17,100	Purchases	2,17,500																																																					
Fuel & power	9,645	Motor car expenses	9,162																																																					
Drawings	12,000	Rent	5,400																																																					
Sundry debtors	78,000	Carriage inward	3,060																																																					
Sundry creditors	33,000	Carriage outward	2,445																																																					
Cash in hand	3,588	Capital	30,000																																																					
Furniture	5,250																																																							
Motor car	33,000																																																							
3	18	<p>From the following information prepare a cost sheet.</p> <table> <thead> <tr> <th>Particulars</th><th>Amount</th></tr> </thead> <tbody> <tr><td>Direct material-purchased</td><td>80,000</td></tr> <tr><td>Direct material -Opening stock</td><td>20,000</td></tr> <tr><td>Direct material -Closing Stock</td><td>25,000</td></tr> <tr><td>Productive wages</td><td>22,000</td></tr> <tr><td>Direct Expenses</td><td>5,000</td></tr> <tr><td>Consumable stores</td><td>4,000</td></tr> <tr><td>Factory manager salary</td><td>15,000</td></tr> <tr><td>Unproductive wages</td><td>7,000</td></tr> <tr><td>Factory Overheads</td><td>12,000</td></tr> </tbody> </table> <p>Work-in-progress:</p> <table> <tbody> <tr><td>Opening stock</td><td>13,000</td></tr> <tr><td>Closing stock</td><td>7,000</td></tr> <tr><td>Office and administration overheads</td><td>28,000</td></tr> <tr><td>Opening stock of finished goods</td><td>5,000</td></tr> <tr><td>Closing stock of finished goods</td><td>10,000</td></tr> <tr><td>Selling and distribution overheads</td><td>33,000</td></tr> </tbody> </table> <p>Company desires a margin of 20% profit on the cost of sales</p>	Particulars	Amount	Direct material-purchased	80,000	Direct material -Opening stock	20,000	Direct material -Closing Stock	25,000	Productive wages	22,000	Direct Expenses	5,000	Consumable stores	4,000	Factory manager salary	15,000	Unproductive wages	7,000	Factory Overheads	12,000	Opening stock	13,000	Closing stock	7,000	Office and administration overheads	28,000	Opening stock of finished goods	5,000	Closing stock of finished goods	10,000	Selling and distribution overheads	33,000	K4	CO3																				
Particulars	Amount																																																							
Direct material-purchased	80,000																																																							
Direct material -Opening stock	20,000																																																							
Direct material -Closing Stock	25,000																																																							
Productive wages	22,000																																																							
Direct Expenses	5,000																																																							
Consumable stores	4,000																																																							
Factory manager salary	15,000																																																							
Unproductive wages	7,000																																																							
Factory Overheads	12,000																																																							
Opening stock	13,000																																																							
Closing stock	7,000																																																							
Office and administration overheads	28,000																																																							
Opening stock of finished goods	5,000																																																							
Closing stock of finished goods	10,000																																																							
Selling and distribution overheads	33,000																																																							
4	19	Identify the various functional responsibility of Insurance.	K4	CO4																																																				
5	20	Describe the classification of Non- Life Insurance?	K4	CO5																																																				

