

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credit Rs. 30,000 3 Cash deposited into bank Rs. 40,000 4 Bought a building from L and Co. on credit Rs. 95,000 5 Cash withdrawn from bank for office use Rs. 5,000	K3	CO1
	11.b.	(OR) 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><tr><th>Particulars</th><th>Rs.</th></tr><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></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	Bad debts	2,438	Depreciation on plant	4,875
		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)																																			
12.b.	Distinguish between Trading account and Profit and Loss account.																																		
3	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.		K4	CO3																														
		<table><tr><th>Particulars</th><th>Rs.</th></tr><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></table>				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																		
		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																																
		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.																																	
		(OR)																																	
13.b.	Mention the difference between Cost Accounting and Financial Accounting.																																		
4	14.a.	Analyse the Concept of Risk Appraisal.	K3	CO4																															
	(OR)																																		
	14.b.	Examine the significant role of Insurance.																																	
5	15.a.	List down the unique features of Non- Life Insurance.	K2	CO5																															
	(OR)																																		
	15.b.	Explain the concept of Marine Insurance.																																	

SECTION -C (30 Marks)

Answer ANY THREE questions

ALL questions carry EQUAL Marks

(3 × 10 = 30)

Module No.	Question No.	Question	K. Level	CO																																				
1	16	Journalize the following transactions of M/s Mallika Fashion House and post the entries to the Ledger:	K4	CO1																																				
		<table><tr><th>Date</th><th>Details</th><th>Amount</th></tr><tr><td>2017</td><td></td><td>Rs.</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></table>			Date	Details	Amount	2017		Rs.	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
		Date			Details	Amount																																		
		2017				Rs.																																		
		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																																						

2	17	From the following particulars trading and profit & loss a/c and the balance sheet for the year ended 31.12.2022.				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				
Adjustments:							
<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%							

3	18	From the following information prepare a cost sheet.				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				
		Work-in-progress:					
		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						
Company desires a margin of 20% profit on the cost of sales							

4	19	Identify the various functional responsibility of Insurance.	K4	CO4
5	20	Describe the classification of Non- Life Insurance?	K4	CO5

Z-Z-Z

END

