

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

**BSc DEGREE EXAMINATION DECEMBER 2025
(First Semester)**

Branch – MATHEMATICS

ACCOUNTANCY -I

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(10 × 1 = 10)

Question No.	Question	K Level	CO
1	The system of recording transactions based on dual aspect concept is called (a) Double Entry System (b) Single Entry System (c) Accrual Basis of Accounting (d) Double Account System	K1	CO1
2	Accounting is both (a) None of the above (b) History and geography (c) Commerce and management (d) Arts and science	K2	CO1
3	Under which basis of accounting actual cash receipts and actual cash payments are Recorded. (a) Noncash (b) Cash (c) Accrual (d) All of the above	K1	CO2
4	The balance of the petty cash is (a) An expense (b) An asset (c) An income (d)None of the above	K2	CO2
5	The Cash Book debit balance is equivalent to? (a) Credit Balance as per passbook (b) Overdraft as per Cash Book (c) Overdraft as per Pass Book (d) None of the above	K1	CO3
6	When a transaction is completely omitted from being recorded, it is called: (a) Error of commission (b) Error of omission (c) Error of principle (d)Error of posting	K2	CO3
7	The profit and loss account shows: (a) The gross profit earned (b) Net profit earned (c) Financial position of the concern (d) None of the above	K1	CO4
8	Depreciation is provided on (a) Fixed assets (b) Outward charges, (c) Current assets (d) Intangible assets.	K2	CO4
9	The person on whom a bill is drawn is called a. (a) Drawee (b) Payee (c) Drawer (d) Acceptor	K1	CO5
10	When the due date of the bill drawn falls due on a public holiday, the payment must be made on the day. (a) the Same (b) preceding (c) next (d) any	K2	CO5

SECTION - B (35 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks

(5 × 7 = 35)

Question No.	Question	K Level	CO
11.a.	How do you Journalize the following transactions with narration of June 2022 1 Receive cash from Renu ₹ 2,500 4 Purchase goods for cash ₹ 1,000 5 Sold goods to Hari ₹ 4,000 8 Bought furniture from Raju ₹ 500 10 Paid for office stationery ₹ 150 11 Bank paid insurance premium ₹ 300 30 Deposited cash with Bank ₹ 4000	K3	CO1

Cont...

(OR)		K3	CO1			
11.b.	Explain the Golden rules of Accounting with suitable example.					
12.a.	Show the following data in Purchase returns book and sales returns Book.					
	1.8.2022 Goods bought returned to Senthil – ₹ 2050	18.8.22 Goods returned by Murali- ₹1120				
	3.8.22 Received goods returned by Naren- ₹ 300	23.8.22 Outward returns to Kannan - ₹ 275				
	5.8.22 Goods returned to Karnan – ₹ 500	29.8.22 Inward returns by Swami ₹ 750				
	7.8.22 Sales returns of ₹.1,260 by Madhu	30.8.22 Returned goods to Sankar ₹ 800				
	15.8.22 Returned defective goods to Rajan – ₹ 1280	31.8.22 Selvan returned goos to us – ₹ 1,330				
(OR)		K3	CO2			
12.b.	Calculate & Show the following transactions in a simple Cash Book of Shri. Vel 2023.					
	1.4.23 Commenced business with Cash – ₹ 24,000	21.4.23 Purchased Stationery -₹ 160				
	5.4.23 Bought goods for Cash -₹ 6,000	20.4.23 Purchased furniture - ₹ 9,600				
	10.4.23 Goods Sold for Cash – ₹ 11,200	23.4.23 Received Cheque from Giri – ₹ 9,000				
	13.4.23 Paid into Bank – ₹ 2,500	25.4.23 Paid Mohan -₹13,600				
	14.4.23 Sold goods to Giri on Credit – ₹ 9,000	26.4.23 Received Commission -₹ 740				
	15.4.23 Bought goods from Mohan on Credit - ₹ 13,600	27.4.23 Paid Telephone Charges -₹ 300				
	30.4.23 Drawn from Bank -₹ 3,800					
13.a.	Rectify the following Errors : (1) ₹. 5,000 Paid for furniture purchased has been debited to purchases account. (2) Wages paid ₹. 7,000 for installation of new machinery were recorded in wages account. (3) Goods sold to Hari ₹. 10,000 not recorded. (4) ₹. 2,500 received from Monu has been credited to Sonu A/c. (5) Rent paid ₹. 1,000 wrongly debited to Landlord Account. (6) Credit Purchase from Raman ₹. 15,000 were wrongly recorded in sales book. (7) Credit sales to Geeta ₹. 8,800 were recorded as ₹, 8,000					
	(OR)			K3		
	13.b.	Prepare bank reconciliation statement as on 31.12.2024, from the following details: Balance as per cash book ₹ 2,500 a) Cheque paid in but not cleared by bank ₹.500 b) Cheque issued but not presented ₹ 675 c) Commission charged by bank but not entered in cash book ₹.25 d) Interest collected and credited by bank not entered in cash book ₹.400 e) No record has been made in cash book relating to a dishonour of a cheque for ₹.50			CO3	

14.a.	Prepare Trading Account of Kumaran for the year ending 31.12.2023 from the following information				K4	CO4
		₹		₹		
	Opening stock	80000	Purchases	860000		
	Purchase returns	10000	Sales return	316000		
	Freight inwards	52000	Wages	24000		
	Sales	1440000	Import Duty	30000		
	Closing stock	100000				
(OR)						
14.b.	The trail balance of Anitha as on 31.03.2015 is as follows. Prepare Profit and loss account.					
	Particulars	(₹)				
	Gross Profit	120000				
	Interest Received	5000				
	Discount Allowed	4000				
	Office Electricity	25,000				
	Salaries	18,000				
	Rent	6,000				
	Insurance	3,000				
	Commission Paid	15,000				
	Dividend received	50,000				
	Bad debts	2500				
	Depreciation	3000				
15.a.	On 1.4.2019 Balu draws a bill on Manoj for ₹.1600 for goods sold at 90 days after sight. Manoj accepts the bill on 5.4.2019. Balu, however endorsed the bill to Sohan in settlement of a debt of ₹.1700. On maturity the bill was duly honored by Manoj. Examine journal entries in the books of Drawer and Drawee.				K4	CO5
(OR)						
15.b.	Mala Purchased goods for ₹.3000 from kala on 1.4.99. Mala accepted a three months bill for the amount and gave it to kala on the same day. Kala discounted the bill immediately with Indian bank at a discount of 5% p.a. On due date the bill was dishonored by payment. Examine and prepare journal entries in the books of Drawer and drawee.					

SECTION -C (30 Marks)

Answer ANY THREE questions

ALL questions carry EQUAL Marks (3 × 10 = 30)

ALL questions carry EQUAL marks (5 × 10 = 50)

Question No.	Question	K Level	CO																																																
16	Journalize the following transactions of M/S Radha & Sons.	K3	CO1																																																
	<table><tr><th>Date</th><th>Particulars</th><th>₹.</th></tr><tr><td>Jan 1 2025</td><td>Business started with ₹ 250000 and cash deposited with bank</td><td>150000</td></tr><tr><td>3</td><td>Purchased machinery on credit from Rahu</td><td>50000</td></tr><tr><td>6</td><td>Bought furniture from Ramesh for cash</td><td>25000</td></tr><tr><td>12</td><td>Goods sold to Yesodha</td><td>22500</td></tr><tr><td>13</td><td>Goods returned by Yesodha</td><td>2500</td></tr><tr><td>15</td><td>Goods sold for cash</td><td>50000</td></tr><tr><td>17</td><td>Bought goods for cash</td><td>25000</td></tr><tr><td>20</td><td>Cash received from Yesodha</td><td>10000</td></tr><tr><td>21</td><td>cash paid to Ramola</td><td>20000</td></tr><tr><td>25</td><td>Cash withdrawn from bank</td><td>50000</td></tr><tr><td>29</td><td>Paid advertisement expenses</td><td>12500</td></tr><tr><td>30</td><td>Bought office stationery for cash</td><td>5000</td></tr><tr><td>31</td><td>Cash withdrawn from bank for personal use of the proprietor</td><td>6250</td></tr><tr><td>31</td><td>Paid Salaries</td><td>15000</td></tr><tr><td>31</td><td>Paid Rent</td><td>2500</td></tr></table>			Date	Particulars	₹.	Jan 1 2025	Business started with ₹ 250000 and cash deposited with bank	150000	3	Purchased machinery on credit from Rahu	50000	6	Bought furniture from Ramesh for cash	25000	12	Goods sold to Yesodha	22500	13	Goods returned by Yesodha	2500	15	Goods sold for cash	50000	17	Bought goods for cash	25000	20	Cash received from Yesodha	10000	21	cash paid to Ramola	20000	25	Cash withdrawn from bank	50000	29	Paid advertisement expenses	12500	30	Bought office stationery for cash	5000	31	Cash withdrawn from bank for personal use of the proprietor	6250	31	Paid Salaries	15000	31	Paid Rent	2500
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17	<p>Solve a simple cash book from the following transaction of Mr. Sanjay ₹.</p> <table><tr><td>1.4.25</td><td>Commenced business with Cash</td><td>24000</td></tr><tr><td>5.4.25</td><td>Bought goods for Cash</td><td>6000</td></tr><tr><td>10.4.25</td><td>Goods Sold for Cash</td><td>11200</td></tr><tr><td>13.4.25</td><td>Paid into Bank</td><td>2500</td></tr><tr><td>14.4.25</td><td>Sold goods to Ganesan on Credit</td><td>9000</td></tr><tr><td>15.4.25</td><td>Bought goods from Mohan on Credit</td><td>3600</td></tr><tr><td>20.4.25</td><td>Purchased furniture</td><td>9600</td></tr><tr><td>21.4.25</td><td>Purchased Stationery</td><td>160</td></tr><tr><td>23.4.25</td><td>Received Cheque from Ganesan</td><td>9000</td></tr><tr><td>25.4.25</td><td>Paid Mohan</td><td>13600</td></tr><tr><td>26.4.25</td><td>Received Commission</td><td>740</td></tr><tr><td>27.4.25</td><td>Paid Telephone Charges</td><td>300</td></tr><tr><td>30.4.25</td><td>Drawn from Bank</td><td>380</td></tr></table>	1.4.25	Commenced business with Cash	24000	5.4.25	Bought goods for Cash	6000	10.4.25	Goods Sold for Cash	11200	13.4.25	Paid into Bank	2500	14.4.25	Sold goods to Ganesan on Credit	9000	15.4.25	Bought goods from Mohan on Credit	3600	20.4.25	Purchased furniture	9600	21.4.25	Purchased Stationery	160	23.4.25	Received Cheque from Ganesan	9000	25.4.25	Paid Mohan	13600	26.4.25	Received Commission	740	27.4.25	Paid Telephone Charges	300	30.4.25	Drawn from Bank	380	K4	CO2																																					
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18	<p>Assess and construct Bank Reconciliation Statement as on 31-12- 2024, for Chand Bibi Ltd:</p> <ol style="list-style-type: none">1. Bank balance overdraft as per cash book ₹ 80,0002. Check deposited but not collected ₹ 10,0003. Premium on proprietor's Life Insurance Policy (LIP) paid on standing order ₹ 5,0004. Bank Charges recorded twice in the cash book ₹ 1005. Customer's check returned by the bank as dishonoured ₹ 4,0006. Customer directly deposited to the bank account ₹ 20,0007. Check issued but not presented ₹ 3,0008. A cheque deposited into the bank of worth ₹ 45,000 but ₹. 8,000 check was not collected by bank.	K3	CO3																																																																												
19	<p>From the following Trail Balance of Thiru. Rehman as on 31st March 1995, Prepare Trading and Profit & Loss A/c and Balance Sheet taking into account the adjustments:</p> <table><tr><th>Debit Balances</th><th>₹.</th><th>Credit Balances</th><th>₹</th></tr><tr><td>Land and Buildings</td><td>42,000</td><td>Capital</td><td>62,000</td></tr><tr><td>Machinery</td><td>20,000</td><td>Sales</td><td>98,780</td></tr><tr><td>Patents</td><td>7,500</td><td>Return Outwards</td><td>500</td></tr><tr><td>Stock 01.01.94</td><td>5,760</td><td>Sundry Creditors</td><td>6,300</td></tr><tr><td>Sundry Debtors</td><td>14,500</td><td>Bills Payable</td><td>9,000</td></tr><tr><td>Purchases</td><td>40,675</td><td></td><td></td></tr><tr><td>Cash in hand</td><td>540</td><td></td><td></td></tr><tr><td>Cash at Bank</td><td>2,630</td><td></td><td></td></tr><tr><td>Return Inwards</td><td>680</td><td></td><td></td></tr><tr><td>Wages</td><td>8,480</td><td></td><td></td></tr><tr><td>Fuel and Power</td><td>4,730</td><td></td><td></td></tr><tr><td>Carriage on sales</td><td>3,200</td><td></td><td></td></tr><tr><td>Carriage on purchases</td><td>2,040</td><td></td><td></td></tr><tr><td>Salaries</td><td>15,000</td><td></td><td></td></tr><tr><td>General expenses</td><td>3,000</td><td></td><td></td></tr><tr><td>Insurance</td><td>600</td><td></td><td></td></tr><tr><td>Drawings</td><td>5,245</td><td></td><td></td></tr><tr><td></td><td>1,76,580</td><td></td><td>1,76,580</td></tr></table> <p>Adjustments:</p> <ol style="list-style-type: none">(i) Stock on 31/03/1995 was Rs.6,800(ii) Salary outstanding Rs.1,500(iii) Insurance Prepaid Rs.150(iv) Depreciate Machinery @ 10% and patents @ 20%(v) Create provisions of 2% on debtors for bad debts.	Debit Balances	₹.	Credit Balances	₹	Land and Buildings	42,000	Capital	62,000	Machinery	20,000	Sales	98,780	Patents	7,500	Return Outwards	500	Stock 01.01.94	5,760	Sundry Creditors	6,300	Sundry Debtors	14,500	Bills Payable	9,000	Purchases	40,675			Cash in hand	540			Cash at Bank	2,630			Return Inwards	680			Wages	8,480			Fuel and Power	4,730			Carriage on sales	3,200			Carriage on purchases	2,040			Salaries	15,000			General expenses	3,000			Insurance	600			Drawings	5,245				1,76,580		1,76,580	K4	CO4
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20	<p>Neha sold goods to Rohan's for ₹42,000 on 6th Sept. 2019. Neha drew a bill of exchange at 3 months for the amount which was accepted by Rohan. Neha discounted the bill with her bankers at ₹ 41,000. On the due date of the bill, Rohasssn dishonored the bill and the bank paid ₹ 300 as Noting Charges Show Journal Entries in the Books of Neha and Rohan.</p>	K3	CO5																																																																												