**23CAU313N**

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

**BCA DEGREE EXAMINATION MAY 2026**
(Third Semester)

Branch – **COMPUTER APPLICATION**

**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 | Which of the following is a limitation of accounting?<br>A) Provides exact net worth B) Records non-monetary items<br>C) Based on estimates D) Always accurate | K1 | CO1 |
| | 2 | Which accounting concept assumes business and personal affairs are separate?<br>A) Money measurement B) Dual aspect<br>C) Business entity D) Going concern | K2 | CO1 |
| 2 | 3 | The trading account is prepared to find:<br>A) Gross Profit/Loss B) Net Profit/Loss<br>C) Total Assets D) Liabilities | K1 | CO2 |
| | 4 | In Final Accounts Balance sheet shows:<br>A) Expenses and incomes B) Liabilities and assets<br>C) Revenue D) Profit | K2 | CO2 |
| 3 | 5 | Which is not an element of cost?<br>A) Direct material B) Direct labor<br>C) Factory rent D) Advertisement | K1 | CO3 |
| | 6 | The main objective of cost accounting is to:<br>A) Record financial transactions<br>B) Provide cost information for decision-making<br>C) Prepare cash flow D) Estimate profit | K2 | CO3 |
| 4 | 7 | Which principle of insurance means the insured must suffer loss before receiving compensation?<br>A) Indemnity B) Subrogation<br>C) Contribution D) Utmost good faith | K1 | CO4 |
| | 8 | Pooling of risk means:<br>A) Sharing profit B) Sharing loss among many<br>C) Buying insurance together D) Estimating risk value | K2 | CO4 |
| 5 | 9 | A term policy is a type of:<br>A) Life insurance B) General insurance<br>C) Marine insurance D) Fire insurance | K1 | CO5 |
| | 10 | Fire insurance is an example of:<br>A) Life insurance B) Non-life insurance<br>C) Annuity insurance D) Pension plan | 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. | Prepare trail balance from the following: | K2 | CO1 |

| | Rs | | Rs |
|---|---|---|---|
| Capital | 9,000 | Rent outstanding | 1,000 |
| Plant and Machinery | 12,000 | Opening stock | 2,000 |
| Purchases | 8,000 | Sales returns | 4,000 |
| Sales | 12,000 | Investments | 14,000 |
| Sundry Creditors | 8,000 | Debtors | 12,000 |
| Bank Loan | 22,000 | | |

(OR)

| Module No. | Question No. | Question | K Level | CO |
|---|---|---|---|---|
| 1 | 11.b. | Show Accounting Equation on the basis of the following:<br>a. Ramanujm started business with Rs. 25,000<br>b. Purchased goods on credit from Shyam: Rs. 10,000<br>c. Solds goods to Soman costing Rs. 1,500 for Rs. 1,800 on credit. | K2 | CO1 |

Cont...

| Module No. | Question No. | Question | K Level | CO |
|---|---|---|---|---|
| 2 | 12.a. | Prepare profit and loss account for the year ending on 31-3-1994.<br>Gross profit – Rs. 25,000<br>Salaries – 5,600<br>Insurance – 200<br>Discount allowed – 400<br>Discount received – 300<br>Commission earned – 100<br>Advertisement – 450<br>Taxes – 150<br>Travelling expenses – 500<br>Stationery – 75<br>Rent – 650<br>Interest on loan – 225<br>Repairs – 125<br>Office expenses – 55<br>General expenses – 875<br>Postage – 175<br>Printing charge – 375 | K3 | CO2 |
| | | (OR) | | |
| | 12.b. | The sundry debtors on 31st dec.'95 are Rs 40,000. On analysis, it is found that debtors for Rs 36,000 are good. the debtors for Rs.3,000 are doubtful and are estimated realise 2/3rds of the amount and the debtors for Rs 1,000 are bad. Make a provision for doubtful debts. Show the profits & loss A/c and balance sheet. | | |
| 3 | 13.a. | *From the following particular prepare a cost sheet.*<br>Stock of finished goods (1.4.2004) – Rs. 36,400<br>Stock of finished goods (30.4.2004) – 39,000<br>Stock of raw materials (1.4.2004) – 16,640<br>Stock of raw materials (30.4.2004) – 17,680<br>Purchase of raw materials – 3,79,600<br>Production wages – 2,58,440<br>Sales of finished goods – 7,69,600<br>Works overheads – 64,610<br>General overheads – 35,080 | K3 | CO3 |
| | | (OR) | | |
| | 13.b. | The following data relate to the manufacture of a product during the month of April:<br>Raw materials consumed Rs. 80,000    Direct wages Rs. 48,000<br>Machine hours worked 8,000    Machine hours rate Rs. 4<br>Office overhead 10% on works cost    Selling overhead Rs. 1.50 p.u<br>Units produced 4,000    Unit sold 3,600 at Rs. 50 each.<br>Prepare a cost sheet and show<br>a) Cost Per Unit and    b) Profit for the period. | | |
| 4 | 14.a. | Enumerate the functions of insurance | K2 | CO4 |
| | | (OR) | | |
| | 14.b. | Explain the principles of insurance | | |
| 5 | 15.a. | Elucidate the features of life insurance | K3 | CO5 |
| | | (OR) | | |
| | 15.b. | Describe the classification of life insurance policies. | | |

## 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 | The following balances were extracted from the ledger of Ramakrishna engineering works on 31st march 1997.you are required to prepare a trail balance as on that date in proper form.<br>Drawings – Rs. 6,000    Salaries – Rs. 9,500<br>Capital – 24,000    Sales returns – 1,000<br>Sundry creditors – 43,000    Purchase returns – 1,100<br>Bills payable – 4,000    Travelling expanses – 4,600<br>Sundry debtors – 50,000    Communication paid – 100<br>Bills receivable – 5,200 | K4 | CO1 |

**Question No: 16 Cont...**

| | | | |
|---|---|---|---|
| Loan from kartick | 10,000 | Discount earned | 2,500 |
| Furniture & fixtures | 4,500 | Rent | 4,000 |
| Opening stock | 47,000 | Bank overdraft | 2,000 |
| Cash in hand | 900 | Purchases | 6,500 |
| Cash at bank | 12,500 | | 70,000 |
| Tax | 3,500 | | |
| Sales | 1,28,000 | | |

| Unit | Q.No | Question | K Level | CO |
|---|---|---|---|---|
| 2 | 17 | Prepare Trading, Profit and Loss A/c and Balance Sheet from the following Trial Balance of Mr. M. Madan. | K4 | CO2 |

| Debit Balance | Rs. | Credit Balance | Rs. |
|---|---|---|---|
| Sundry Debtors | 92,000 | Madan's Capital | 70,000 |
| Plant&machinery | 20,000 | | |
| Interest | 430 | Purchase Returns | 2,600 |
| Rent, Rates, Taxes & Insurance | 5,600 | | |
| Conveyance charges | 1,320 | Sales | 2,50,000 |
| Wages | 7,000 | | |
| Sales returns | 5,400 | SundryCreditors | 60,000 |
| Purchases | 1,50,000 | | |
| Opening Stock | 60,000 | Bank Overdraft | 20,000 |
| Madan's Drawings | 22,000 | | |
| Trade Expenses | 1,350 | | |
| Salaries | 11,200 | | |
| Advertising | 840 | | |
| Discount | 600 | | |
| Book Debts | 800 | | |
| Business premises | 12,000 | | |
| Furniture & fixtures | 10,000 | | |
| Cash in hand | 2,060 | | |
| | **4,02,600** | | **4,02,600** |

Adjustments:
i) Stock on hand on 31-12-96 Rs.90,000.
ii) Provide depreciation on premises at 2.5%; Plant & Machinery at 7.5% and furniture & fixtures at 10%.
iii) Write off Rs.800 as further bad debts.
iv) Provide for doubtful debts at 5% on sundry debtors.
v) Outstanding rent was Rs.500 and outstanding wages Rs.400.
vi) Prepaid insurance Rs.300 and prepaid salaries Rs.700.

| Unit | Q.No | Question | K Level | CO |
|---|---|---|---|---|
| 3 | 18 | From the following particulars prepare a Cost Sheet showing the total cost per tone for the period ended 31st Dec., 2006. | K3 | CO3 |

| | Rs. | | Rs. |
|---|---|---|---|
| Raw materials | 33,000 | Rent and taxes (office) | 500 |
| Productive wages | 38,000 | Water supply (works) | 1,200 |
| Unproductive wages | 10,500 | Factory Insurance | 1,100 |
| Factory rent and taxes | 7,500 | Office Insurance | 500 |
| Factory lighting | 2,200 | Legal expenses | 400 |
| Factory heating | 1,500 | Rent of warehouse | 300 |
| Motive power | 4,400 | Depreciation of | |
| Haulage (works) | 3,000 | Plant and Machinery | 2,000 |
| Directors' fees (works) | 1,000 | Office Building | 1,000 |
| Directors' fees (office) | 2,000 | Delivery Vans | 200 |
| Factory cleaning | 500 | Bad debts | 100 |
| Sundry office expenses | 200 | Advertising | 300 |
| Estimating expenses | 800 | Sales department's | 1,500 |
| (works) | 750 | salaries | 700 |
| Factory stationery | 900 | Upkeep of delivery vans | 50 |
| Office stationery | 600 | Bank charges | 1,500 |
| Loose tools written off | | Commission on sales | |
| The total output for the period has been 14,775 tonnes. | | | |

| Unit | Q.No | Question | K Level | CO |
|---|---|---|---|---|
| 4 | 19 | Classify the types of risk. | K4 | CO4 |
| 5 | 20 | Differentiate between fire insurance and marine insurance. | K5 | CO5 |

Z-Z-Z END