TOTAL PAGES: 3

25MAU103A/22MAU103A/ 22ECU103N

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BSc/ BA DEGREE EXAMINATION MAY 2026
(First Semester)

Common to branches – **MATHEMATICS & ECONOMICS**

ACCOUNTANCY/ ACCOUNTANCY-1

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	Recording of business transactions in a systematic way is called __. a) Recording b) Accounting c) Book keeping d) Journalizing	K1	CO1
	2	Trial Balance is _____. a) A Subsidiary book b) A Principle book c) An account d) A statement	K2	CO1
2	3	Asset a/c is a ______. a) Personal account b) Real account c) Expenses account d) Nominal account	K1	CO2
	4	The balance of the petty cash is _______. a) An expense b) An income c) An asset d) A liability	K2	CO2
3	5	When a transaction is not at all recorded in journal, it is an error of __________ a) Omission b) Commission c) Principle d) Compensation	K1	CO3
	6	A bank reconciliation statement is prepared by __________. a) A customer b) Bank c) Creditor d) Insurance company	K2	CO3
4	7	Balance sheet is prepared to ________. a) Know the financial position b) Know the profit or loss c) Know the net profit d) Know the assets	K1	CO4
	8	Goodwill is _________. a) A current asset b) An intangible asset c) A tangible asset d) A fictitious asset	K2	CO4
5	9	The grace days for a bill is ____. a) 3 days b) 4 days c) 5 days d) 6 days	K1	CO5
	10	Bills receivable account is a _______. a) Personal account b) Real account c) Nominal account d) Both personal and real account	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.	a) Discuss the objectives of accounting.	K2	CO1
		(OR)		
	11.b.	Journalise the following transactions: January 1 — Purchased goods for cash Rs.10000 January 6 — Paid cash to Ragu Rs.500 January 9 — Paid rent to landlord Rs.450 January 17 — Purchased machinery on credit from Mr.X Rs.20000 January 25 — Withdrawn cash from bank Rs.4000		
2	12.a.	Enter the following transactions in the Purchases book and Sales book of Mr.Pandian. 2020 Jan. 1 Purchased goods from Balu Rs.30000 Jan. 2 Sold goods to Swamy Rs.15000 Jan. 4 Bought goods from Gowri Rs.13500 Jan. 12 Sold goods to Thenali Rs.10500 Jan. 19 Sold goods to Jayaraman Rs.750 Jan. 21 Bought goods from Rajesh Rs.9000 Jan. 30 Sold goods to Shanthi Rs.900	K3	CO2
		(OR)		

Cont...

2 | **12.b.** | K3 | CO2

Enter the following transactions in a simple cash book of Shri.Subramanian.

2019 April		Rs.
1	Commenced business with cash	24000
5	Bought goods for cash	6000
10	Goods sold for cash	11200
13	Paid into bank	2500
14	Sold goods to Ganesan on credit	9000
15	Bought goods from Mohan on credit	13600
20	Purchased furniture	9600
21	Purchased stationery	160
23	Received cheque from Ganesan	9000
25	Paid Mohan	13600
26	Received Commission	740
27	Paid Telephone charges	300
30	Drawn from bank	3800

3 | K3 | CO3

13.a.

a) Rectify the following errors.

i) Purchase book was carried forward Rs. 350 less.

ii) Sales book total is carried forward Rs. 500 more.

iii) A total of Rs. 758 in the Purchases book has been carried forward as Rs. 857.

iv) The total of the sales book Rs. 755 was carried forward as Rs. 557.

v) Purchase returns book was carried forward as Rs. 1520 instead of Rs. 5120.

(OR)

13.b.

Prepare a bank reconciliation statement for the following data as on 31-12-2020.

a) Bank balance as per cash book is Rs. 12,500.

b) Cheques issued but not presented for payment Rs. 900.

c) Cheques deposited in bank but not collected Rs. 1200.

d) Bank paid insurance premium Rs. 500.

e) Direct deposit by a customer Rs. 800.

f) Interest income collected by bank Rs. 2,00.

g) Bank charges Rs. 100.

4 | K4 | CO4

14.a.

Prepare Trading Account of Archana for the year ending 31-12-2015 from the following information:

Opening stock	Rs. 80,000
Purchases	Rs. 8,60,000
Freight inward	Rs. 52,000
Wages	Rs. 24,000
Sales	Rs. 14,40,000
Purchase returns	Rs. 10,000
Sales returns	Rs. 3,16,000
Closing stock	Rs. 1,00,000
Import duty	Rs. 30,000

(OR)

14.b.

Prepare Trading and Profit and Loss Account from the information given below.

Particulars	Rs.	Particulars	Rs.
Opening stock	3,600	Rent (Factory)	400
Purchases	18,260	Rent (Office)	500
Wages	3,620	Sales returns	700
Closing stock	4,420	Purchase returns	900
Sales	32,000	General expenses	900
Carriage on purchases	500	Discount to customers	360
Carriage on sales	400	Interest from bank	200

5 | K3 | CO5

15.a. Mention the features of Bill of Exchange.

(OR)

15.b. On 1.1. 2019 Jayanti sold goods to Devi on credit for Rs. 2000 and drew a bill on Devi for Rs.2000 for 3 months after date. Devi accepted it on 3.1. 2019 and returned it to Jayanti. On maturity, the bill was gully honoured by Devi. Pass journal entries in the books of both the parties.

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SECTION -C (30 Marks)

Answer **ANY THREE** questions
ALL questions carry **EQUAL** Marks (3 × 10 = 30)

<table>
<tr><th>Module No.</th><th>Question No.</th><th>Question</th><th>K Level</th><th>CO</th></tr>
<tr><td>1</td><td>16</td><td>Prepare the Trial Balance
<table>
<tr><th>Particulars</th><th>Rs.</th><th>Particulars</th><th>Rs.</th></tr>
<tr><td>Opening Stock</td><td>10000</td><td>Loan (Cr.)</td><td>15000</td></tr>
<tr><td>Purchases</td><td>49000</td><td>Debtors</td><td>42000</td></tr>
<tr><td>Wages</td><td>15000</td><td>Capital</td><td>50000</td></tr>
<tr><td>Rent</td><td>1000</td><td>Provision for bad debts</td><td>2800</td></tr>
<tr><td>Salaries</td><td>8000</td><td>Sales returns</td><td>2000</td></tr>
<tr><td>General expenses</td><td>900</td><td>Discount allowed</td><td>500</td></tr>
<tr><td>Plant</td><td>15000</td><td></td><td></td></tr>
<tr><td>Creditors</td><td>20000</td><td></td><td></td></tr>
<tr><td>Furniture</td><td>8000</td><td></td><td></td></tr>
<tr><td>Cash at Bank</td><td>5000</td><td></td><td></td></tr>
<tr><td>Sales</td><td>128600</td><td></td><td></td></tr>
<tr><td>Building</td><td>60000</td><td></td><td></td></tr>
</table></td><td>K5</td><td>CO1</td></tr>
<tr><td>2</td><td>17</td><td>Enter the following transactions in Ravi's cash book with discount and cash columns.
<table>
<tr><th>Date</th><th>Particulars</th><th>Rs.</th></tr>
<tr><td>2019 Jan 1</td><td>Cash balance</td><td>18500</td></tr>
<tr><td>3</td><td>Cash sales</td><td>33000</td></tr>
<tr><td>7</td><td>Paid Dravid</td><td>15850</td></tr>
<tr><td></td><td>Discount allowed by him</td><td>150</td></tr>
<tr><td>13</td><td>Sold goods to Manohar on credit</td><td>19200</td></tr>
<tr><td>15</td><td>Cash withdrawn for personal expenses</td><td>2400</td></tr>
<tr><td>16</td><td>Purchased goods from Charles on credit</td><td>14300</td></tr>
<tr><td>22</td><td>Paid into bank</td><td>22750</td></tr>
<tr><td>25</td><td>Cash received from Manohar</td><td>19000</td></tr>
<tr><td></td><td>Allowed him discount</td><td>200</td></tr>
<tr><td>26</td><td>Drew a cheque for office use</td><td>17500</td></tr>
<tr><td>27</td><td>Paid cash to Saravanan</td><td>2950</td></tr>
<tr><td></td><td>Discount received from him</td><td>50</td></tr>
<tr><td>28</td><td>Paid cash to Charles less discount</td><td>14200</td></tr>
<tr><td>29</td><td>Cash purchases</td><td>13500</td></tr>
<tr><td>30</td><td>Paid for advertising</td><td>600</td></tr>
<tr><td>31</td><td>Paid salaries</td><td>12000</td></tr>
</table></td><td>K4</td><td>CO2</td></tr>
<tr><td>3</td><td>18</td><td>The bank overdraft of Rajini on 31.12.2023 as per cash book is Rs.9000. From the following particulars, prepare Bank Reconciliation Statement:
i) Unpresented cheque – Rs.3000
ii) Uncleared cheque – Rs.1700
iii) Bank interest debited in the pass book only – Rs.500
iv) Bill collected and credited in the pass book only – Rs.800
v) Cheque of Renu dishonoured – Rs.500
vi)Cheques issued to Sekar entered in the cash column of cash book – Rs.300</td><td>K6</td><td>CO3</td></tr>
<tr><td>4</td><td>19</td><td>From the following Trial Balance of Kumar, prepare Trading Account, Profit & Loss Account and Balance Sheet as on 31-3-2023.
<table>
<tr><th>Particulars</th><th>Amount (Rs.)</th><th>Particulars</th><th>Amount (Rs.)</th></tr>
<tr><td>Opening Stock</td><td>20,000</td><td>Capital</td><td>1,00,000</td></tr>
<tr><td>Purchases</td><td>40,000</td><td>Creditors</td><td>20,000</td></tr>
<tr><td>Wages</td><td>10,000</td><td>Sales</td><td>1,10,000</td></tr>
<tr><td>Salaries</td><td>6,000</td><td></td><td></td></tr>
<tr><td>Rent</td><td>4,000</td><td></td><td></td></tr>
<tr><td>Furniture</td><td>10,000</td><td></td><td></td></tr>
<tr><td>Debtors</td><td>20,000</td><td></td><td></td></tr>
<tr><td>Cash</td><td>10,000</td><td></td><td></td></tr>
<tr><td>Buildings</td><td>1,10,000</td><td></td><td></td></tr>
</table>
Adjustments:
1. Closing Stock = ₹25,000
2. Outstanding Salaries = ₹1,000
3. Depreciate Furniture @10%
4. Create Provision for Bad Debts @5% on Debtors</td><td>K4</td><td>CO4</td></tr>
<tr><td>5</td><td>20</td><td>For mutual accommodation, Pal draws a bill on Gani for Rs.8000 for 3 months on 1.1.2010. Gani accepts the bill and returns it to Pal. Pal discounts the bill with the bank for Rs.7900 and remits half the proceeds to Gani. Before maturity Pal remits the amount due to Gani and Gani honours the bill. Show the entries in the books of Pal.</td><td>K3</td><td>CO5</td></tr>
</table>

Z-Z-Z END