



**Avinashilingam Institute for Home Science and Higher Education for Women**

(Deemed to be University Estd. u/s 3 of UGC Act 1956, Category 'A' by MHRD)

Re-accredited with 'A++' Grade by NAAC. Recognised by UGC Under Section 12B

Coimbatore - 641 043, Tamil Nadu, India

**Continuous Internal Assessment Test I – August 2024**

**Semester I**

**Class : I UG**

**Major : B.Com/ B.Com(PA)/ B.Com(CA)**

**Time: 2 hours**

**Max.Marks: 60**

**23BCOC01/23BCPC01/23BCCC01- Financial Accounting with Application Software**

**Course Outcomes:**

At the end of the course, students will:

1. Apply the generally accepted accounting principles while recording transactions and preparing financial statements;
2. Demonstrate accounting process under computerized accounting system;
3. Measure business income applying relevant Accounting Standards;
4. Evaluate the importance of depreciation, inventories in financial statements, cashbook and other accounts necessary while running a business;
5. Prepare financial statements of sole proprietors, partnership firms, Inland Branches and Not-for-Profit Organisations.

**Part-A**

**6x1=6**

**Choose the correct answer**

1. The system of recording transactions based on dual aspect concept is called CO1 K2  
a. Double account system c. double entry system  
b. Single entry system d. Accrual basis of accounting
2. Contingent liability shown in the balance sheet, arises due to the accounting conversion of  
a. Consistency b. Conservatism c. Disclosure d. Materiality CO1 K2
3. The shortcut key is used to select company in Tally is CO2 K2  
a. Alt+F1 b. Alt+F3 c. F1 d. F4
4. Which submenu is used to create new ledgers, groups and voucher types in Tally? CO2 K1  
a. Inventory vouchers b. Accounting vouchers c. Company info d. Account info
5. The process of formally recording an item in the financial statements of an entity is CO3 K2  
a. Allocation b. Articulation c. Realization d. Recognition
6. Which among the following costs are not useful for managerial decision making? CO3 K1  
a. Sunk cost b. Marginal cost c. Standard cost d. Variable cost

**Part- B**

**3x6=18**

**Answer ALL Questions**

**Each answer should not exceed 400 words or two pages**

- 7 a. Pass necessary entries to make the following adjustments at 31<sup>st</sup> Dec 2022 CO1 K3
- a. Depreciation at 5% on office furniture valued at ₹ 8,000, at 10% on plant and machinery of ₹ 80,000: at 5% on factory building of ₹ 2,00,000.
  - b. The insurance premium has been paid for the year ending on 31<sup>st</sup> march next, ₹ 2,400.
  - c. The telephone rent for one year was paid on last 30<sup>th</sup> April ₹ 300.
  - d. Interest on capital at 6% p.a. is to be allowed. Capital in the beginning was ₹ 3,00,000.
  - e. Following outstanding liabilities for expenses are to be provided for viz. wages ₹ 300, salaries ₹ 305, trade expenses ₹ 215.
  - f. An unsold machinery appearing in the books at ₹ 5000 is exchanged for a new machinery of ₹ 5000. The old machinery has been valued at ₹ 800 for exchange purpose.
- (or)
7. b. What are the functions & advantages of accounting? CO1 K2
- 8.a. Journalize the following transactions completed during the month of March 2022. CO3 K2
- March
- 1 Paid rent for the month ₹ 600
  - 2 Paid cash for office stationery ₹ 60
  - 8 Purchased office equipment on account ₹ 10,000
  - 13 Paid advertising expenses ₹ 600
  - 15 Received cash from Kumar on account ₹ 8,000

- 18 Paid Maran on account  4,000  
 25 Withdrawn cash for personal use  2,000  
 29 Paid telephone bill  600  
 30 Fees earned and billed to customer  20,000  
 31 Paid for repairs to typewriters  300  
 31 Paid electricity bill for the month  400

(or)

8.b. Journalize the following transactions of Hans Raj of Chennai. 2022 and mention the group name for each ledger account in Tally ERP. CO2 K3

Date	Particulars	₹
Mar 1	Hans raj commenced business with cash	30,000
3	Purchased goods for cash	1,500
4	Deposited into bank	21,000
5	Withdrew from bank for office use	1,500
6	Sold goods to Ramu	1,500
19	Received from Ramu <input type="checkbox"/> 1470 and allowed him discount	30
20	Cash sales	2,400
27	Paid to Kannan full settlement	650
28	Paid rent	150
	Paid salary	300

Accounts are closed on 31<sup>st</sup> March 1999.

9. a. What are the salient features of the concept of business income? CO3 K2

(or)

9.b. Explain the procedure of computing accounting income. CO3 K3

**Part-C**

**3x12=36**

**Answer ALL questions**

**Each answer should not exceed 800 words or four pages**

10. a. Explain the Accounting Concepts. CO1 K2

(or)

10.b Journalise the following transaction of Mr. Kishore, Chennai for May 2023, post them in ledger account and prepare Trial Balance. CO1 K3

Date	Particulars	₹
2023 May 1	Kishore started business with cash*	3,00,000
2	Bought goods for cash	80,000
3	Opened bank account with cash*	60,000
4	Sold goods for cash	70,000
7	Bought goods from Agra (UP) on credit	50,000
10	Sold goods to Ravi, Chennai on credit	25,000
15	Purchased machinery costing <input type="checkbox"/> 20,000 from Sahil & co. Gurugram (Haryana) and payment is made by cheque	
19	Paid to Vikas in cash on account *	30,000
21	Received loan from Rajesh and deposited the same into bank*	38,000
23	Goods return to Vikas	5,000
26	Withdrew from bank for personal use*	5,000
27	Paid to Vikas by cheque in full settlement*	19,900
29	Received cash from Ravi	10,000
30	Purchased stationery for cash	5,000
30	Paid wages and salaries*	20,000

CGST and SGST is levied @ 6% each on Intra-state transactions and IGST @ 12% on inter state transaction. GST is not levied on transaction marked(\*)