

**FIRST SEMESTER FYUGP EXAMINATION NOVEMBER 2024****MINOR****COP1MN103 FUNDAMENTALS OF FINANCIAL ACCOUNTING****Time : 2 Hrs****Maximum Marks : 70**

BL - Bloom's Taxonomy Level (1 to 6)

CO - Course Outcome

Section A		Ceiling Marks : 24		
Answer all questions. Each carries 3 marks.				
No.	Question	M	BL	CO
1.	What do you mean by matching principle?	3	2	
2.	What is the principle of materiality?	3	2	CO1
3.	List out the types of business transaction.	3	2	CO1
4.	What are the objectives of accounting?	3	2	CO1
5.	Explain reasons why users need accounting information.	3	3	CO1 CO4
6.	How to balance a ledger account?	3	2	CO1 CO2
7.	Explain how the accrual concept leads to a more accurate representation of a company's financial position?	3	3	CO1 CO4
8.	Define Bank reconciliation statement. What is the need of making it?	3	2	CO1 CO3
9.	List out any 3 items which come under current liability?	3	2	CO1
10.	Furniture of Rs 5000 was purchased on 1/4/2022. Charge depreciation @10% p.a. Show how it appears in the balance sheet?	3	3	CO1 CO2
Section B		Ceiling Marks : 36		
Answer all questions. Each question carries 6 marks.				
No.	Question	M	BL	CO
11.	ABC Corp. uses financial accounting to make informed investment decisions. Describe how financial accounting supports this process.	6	4	CO3 CO4
12.	Describe the difference between capital receipts and revenue receipts.	6	2	CO1

13.	<p>Eclips Hospital, a renowned medical facility in Chennai, has recently appointed Ms.Akshara Kapoor as their new Accountant. Being new to the role, Ms.Akshara Kapoor has some uncertainties regarding the transactions conducted in the previous year. As a professional, your assistance is needed to clarify the nature of these transactions.</p> <table border="1" data-bbox="347 259 1201 1021"> <thead> <tr> <th data-bbox="347 259 448 331">Sl. No.</th> <th data-bbox="448 259 1201 331">Transactions</th> </tr> </thead> <tbody> <tr> <td data-bbox="347 331 448 403">1</td> <td data-bbox="448 331 1201 403">Acquired Medical Equipment for the hospital worth ₹ 16,00,000.</td> </tr> <tr> <td data-bbox="347 403 448 439">2</td> <td data-bbox="448 403 1201 439">Purchased Patents worth ₹ 2,50,000.</td> </tr> <tr> <td data-bbox="347 439 448 510">3</td> <td data-bbox="448 439 1201 510">Received revenue from hospital Room Charges: ₹ 12,00,000.</td> </tr> <tr> <td data-bbox="347 510 448 582">4</td> <td data-bbox="448 510 1201 582">Income received from the Health and Wellness Programme conducted by the hospital: ₹1,00,000.</td> </tr> <tr> <td data-bbox="347 582 448 689">5</td> <td data-bbox="448 582 1201 689">The amount spent to demolish the old hospital building in order to construct a new one on the same site: ₹8,00,000.</td> </tr> <tr> <td data-bbox="347 689 448 761">6</td> <td data-bbox="448 689 1201 761">Income received from laboratory Testing Fees: ₹9,00,000.</td> </tr> <tr> <td data-bbox="347 761 448 833">7</td> <td data-bbox="448 761 1201 833">Repairs and Maintenance charge of Medical Equipment costing ₹50,000.</td> </tr> <tr> <td data-bbox="347 833 448 869">8</td> <td data-bbox="448 833 1201 869">Donation paid to orphanages: ₹7,50,000.</td> </tr> <tr> <td data-bbox="347 869 448 940">9</td> <td data-bbox="448 869 1201 940">Allocated funds for IT infrastructure Investment: ₹6,50,000.</td> </tr> <tr> <td data-bbox="347 940 448 1021">10</td> <td data-bbox="448 940 1201 1021">Received reimbursements from insurance companies for Insurance Claims: ₹3,45,000.</td> </tr> </tbody> </table>	Sl. No.	Transactions	1	Acquired Medical Equipment for the hospital worth ₹ 16,00,000.	2	Purchased Patents worth ₹ 2,50,000.	3	Received revenue from hospital Room Charges: ₹ 12,00,000.	4	Income received from the Health and Wellness Programme conducted by the hospital: ₹1,00,000.	5	The amount spent to demolish the old hospital building in order to construct a new one on the same site: ₹8,00,000.	6	Income received from laboratory Testing Fees: ₹9,00,000.	7	Repairs and Maintenance charge of Medical Equipment costing ₹50,000.	8	Donation paid to orphanages: ₹7,50,000.	9	Allocated funds for IT infrastructure Investment: ₹6,50,000.	10	Received reimbursements from insurance companies for Insurance Claims: ₹3,45,000.	6	3	CO3
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14.	Describe the steps involved in the accounting cycle.	6	1	CO1 CO3																						
15.	<p>Ananth is a trader dealing in textiles. For the following transactions, prepare Ledger accounts for the month of January, 2024.</p> <table data-bbox="161 1205 1013 1704"> <thead> <tr> <th data-bbox="161 1205 917 1240">Jan.</th> <th data-bbox="917 1205 1013 1240">Rs.</th> </tr> </thead> <tbody> <tr> <td data-bbox="161 1270 917 1305">1 Commenced business with cash</td> <td data-bbox="917 1270 1013 1305">70,000</td> </tr> <tr> <td data-bbox="161 1335 917 1370">2 Purchased goods from X and Co. on credit</td> <td data-bbox="917 1335 1013 1370">30,000</td> </tr> <tr> <td data-bbox="161 1400 917 1435">3 Cash deposited into bank</td> <td data-bbox="917 1400 1013 1435">40,000</td> </tr> <tr> <td data-bbox="161 1464 917 1500">4 Bought a building from L and Co. on credit</td> <td data-bbox="917 1464 1013 1500">95,000</td> </tr> <tr> <td data-bbox="161 1529 917 1565">5 Cash withdrawn from bank for office use</td> <td data-bbox="917 1529 1013 1565">5,000</td> </tr> <tr> <td data-bbox="161 1594 917 1630">6 Cash withdrawn from bank for personal use of Ananthu</td> <td data-bbox="917 1594 1013 1630">4,000</td> </tr> <tr> <td data-bbox="161 1659 917 1695">7 Towels given as charities</td> <td data-bbox="917 1659 1013 1695">3,000</td> </tr> </tbody> </table>	Jan.	Rs.	1 Commenced business with cash	70,000	2 Purchased goods from X and Co. on credit	30,000	3 Cash deposited into bank	40,000	4 Bought a building from L and Co. on credit	95,000	5 Cash withdrawn from bank for office use	5,000	6 Cash withdrawn from bank for personal use of Ananthu	4,000	7 Towels given as charities	3,000	6	3	CO1 CO2						
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16.	List out the major items which appear on the Balance Sheet	6	2	CO1 CO3																						

17.	From the following figures, prepare a profit and loss account of Krishna Brothers for the year ended 31 <sup>st</sup> Dec 2020.  Printing and stationary- 750  Salaries- 5,000  Carriage outwards- 500  Commission paid- 1,000  Interest received- 2,000  Bad debts- 500  Insurance charges- 400  Discount allowed- 650  Discount received- 750  Advertisement charges- 440	6	3	CO1 CO2
18.	From the following particulars, prepare a balance sheet as on 31 <sup>st</sup> Dec 2023  Capital – Rs 44,500  Furnitures and fixtures- Rs 8,500  Bills receivables- Rs 4,500  Premises- Rs 49,000  Bills payable- Rs 15,000  Debtors- Rs 25000  Creditors- Rs 20,000  Machinery- Rs 10,000  Investments- Rs 5,000  Cash in hand- Rs 2500  Cash at bank- Rs 5000  Drawings- Rs 5000  Profit- Rs 45,000  Closing stock- Rs 10,000	6	3	CO1 CO2
<b>Section C</b> Answer any 1 question. Each carries 10 marks. (1x10=10 marks)				
<b>No.</b>	<b>Question</b>	<b>M</b>	<b>BL</b>	<b>CO</b>
19.	Explain the key accounting conventions and their importance.	10	2	CO1 CO4
20.	Explain the reasons that contribute to the disagreement in the bank passbook balance and cash book balance.	10	4	CO1 CO3 CO4