

D1BAF2401 (S1)

Name:

Reg. No.:

FIRST SEMESTER FYUGP EXAMINATION NOVEMBER 2025**Improvement/Supplementary (2024 Admissions)****MINOR****AFA1MN111: ESSENTIALS OF FINANCIAL ACCOUNTING****Time: 2 Hrs.****Maximum Marks: 70**

M - Mark

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

CO - Course Outcome

Section A: Answer all questions. Each carries 3 marks. Ceiling: 24 Marks				
No.	Question	M	BL	CO
1.	Give journal entry for the following: Owner withdrew goods worth Rs 1500 and cash of Rs 2000 from the business for personal purpose.	3	2	CO1
2.	State any three differences between reserves and provision.	3	2	CO2
3.	Give journal entry: a) Outstanding rent Rs 250 b) Prepaid rent Rs 500	3	2	CO2
4.	Explain WDV.	3	2	CO2
5.	What is rectification of errors?	3	2	CO2
6.	Give any 3 examples for indirect expenses.	3	2	CO3
7.	Find out the value of gross profit. Sales – 5,00,000 Purchases – 25,000 Opening stock – 10,000 Closing stock – 1,00,000	3	3	CO3
8.	State the types of single-entry system.	3	2	CO4
9.	What is single entry system of accounting?	3	2	CO4
10.	Enlist the methods for calculating profit or loss under single entry system.	3	2	CO4
Section B: Answer all questions. Each carries 6 marks. Ceiling: 36 Marks				
No.	Question	M	BL	CO
11.	Explain the objectives of accounting.	6	2	CO1
12.	Write a short note on accounting equation?	6	2	CO1
(PTO)				

13.	<p>Following are the extracts from the trial balance of AB traders.</p> <table border="1" data-bbox="161 114 954 327"> <thead> <tr> <th>Particulars</th> <th>Debit</th> <th>Credit</th> </tr> </thead> <tbody> <tr> <td>Sundry debtors</td> <td>1,05,000</td> <td></td> </tr> <tr> <td>Bad debt</td> <td>10,000</td> <td></td> </tr> <tr> <td>Provision for bad debt</td> <td></td> <td>13,000</td> </tr> </tbody> </table> <p>Additional information:</p> <p>a) Write off further bad debt of Rs. 4000</p> <p>b) Create a provision of 5% on debtors for doubtful debts.</p> <p>Pass necessary journal entries and show how it appears in the final accounts.</p>	Particulars	Debit	Credit	Sundry debtors	1,05,000		Bad debt	10,000		Provision for bad debt		13,000	6	3	CO2
Particulars	Debit	Credit														
Sundry debtors	1,05,000															
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14.	<p>If an asset was purchased for Rs 50,000 on 1st Jan 2020, what would be its book value three years after if it was depreciated according to the following methods:</p> <p>a) Straight Line method</p> <p>b) Written Down Value method</p> <p>The rate of depreciation is 10% per annum.</p>	6	3	CO2												
15.	<p>Compute gross profit ratio from the following:</p> <p>Opening stock- 12,000</p> <p>Purchases less return- 23,100</p> <p>Wages- 9,000</p> <p>Sales less return- 34,600</p> <p>Insurance- 750</p> <p>Sundry expenses- 250</p> <p>Factory expenses- 1500</p> <p>Duty and clearing charges- 1300</p> <p>Rent and rates- 2500</p> <p>Carriage outwards- 550</p> <p>Salaries- 5000</p> <p>Closing stock was valued at Rs 17,400.</p>	6	3	CO3												
16.	<p>Differentiate between trial balance and balance sheet.</p>	6	4	CO3												

17.	<p>From the following trial balance, prepare trading and profit and loss account for the year ended 31st Dec 2024 and Balance Sheet as on that date.</p> <table border="1" data-bbox="159 145 1077 1265"> <thead> <tr> <th>Particulars</th> <th>Debit ₹</th> <th>Credit ₹</th> </tr> </thead> <tbody> <tr><td>Drawings</td><td>10,000</td><td></td></tr> <tr><td>Stock on 1-1-2024</td><td>46,000</td><td></td></tr> <tr><td>Purchases & Purchase returns</td><td>1,50,000</td><td>600</td></tr> <tr><td>Cash in hand</td><td>3,400</td><td></td></tr> <tr><td>Bank balance</td><td>22,660</td><td></td></tr> <tr><td>Freehold Premises</td><td>38,600</td><td></td></tr> <tr><td>Trade expenses</td><td>840</td><td></td></tr> <tr><td>Printing, stationary and advertising</td><td>1,640</td><td></td></tr> <tr><td>Professional charges</td><td>280</td><td></td></tr> <tr><td>Commission received</td><td></td><td>3,300</td></tr> <tr><td>Investments @ 10%</td><td>4,000</td><td></td></tr> <tr><td>Interest on investments</td><td></td><td>200</td></tr> <tr><td>Sundry debtors and creditors</td><td>36,000</td><td>29,000</td></tr> <tr><td>Wages</td><td>25,000</td><td></td></tr> <tr><td>Salaries</td><td>14,000</td><td></td></tr> <tr><td>Capital</td><td></td><td>1,14,700</td></tr> <tr><td>Income tax</td><td>1,600</td><td></td></tr> <tr><td>Discount allowed and received</td><td>6,300</td><td>4,600</td></tr> <tr><td>Sales and Sales returns</td><td>500</td><td>2,08,000</td></tr> <tr><td>Bills receivable and payable</td><td>3,200</td><td>10,000</td></tr> <tr><td>Office furniture</td><td>3,050</td><td></td></tr> <tr><td>Rent, rates and insurance</td><td>4,000</td><td></td></tr> <tr><td>Bad debts provision</td><td></td><td>670</td></tr> <tr><td>Total</td><td>3,71,070</td><td>3,71,070</td></tr> </tbody> </table> <p>Adjustments:</p> <p>(a) Provide for wages ₹5,000 (b) Depreciate freehold premises by 5%, office furniture by 10% (c) Insurance extent of ₹200 relates to next year (d) Closing stock on 31-12-2024 is ₹52,000 (e) Charge interest on Capital at 5%.</p>	Particulars	Debit ₹	Credit ₹	Drawings	10,000		Stock on 1-1-2024	46,000		Purchases & Purchase returns	1,50,000	600	Cash in hand	3,400		Bank balance	22,660		Freehold Premises	38,600		Trade expenses	840		Printing, stationary and advertising	1,640		Professional charges	280		Commission received		3,300	Investments @ 10%	4,000		Interest on investments		200	Sundry debtors and creditors	36,000	29,000	Wages	25,000		Salaries	14,000		Capital		1,14,700	Income tax	1,600		Discount allowed and received	6,300	4,600	Sales and Sales returns	500	2,08,000	Bills receivable and payable	3,200	10,000	Office furniture	3,050		Rent, rates and insurance	4,000		Bad debts provision		670	Total	3,71,070	3,71,070	6	3	CO3
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18.	<p>Define single entry system and write its objectives.</p> <p style="text-align: right;">(PTO)</p>	6	2	CO4																																																																											

Section C: Answer any one question. Each carries 10 marks. (1 x 10 = 10 marks)

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19.	<p>Mr. Nirmal has the following transactions in the month of April. Write Journal Entries for the transactions.</p> <p>10th April: Commenced business with a capital of 1,00,000</p> <p>11th April: Purchased goods from Venu for 20,000</p> <p>13th April: Purchased Goods for Cash 15,000</p> <p>14th April: Purchased Goods from Abhiram for cash 9,000</p> <p>16th April: Bought Goods from Shyam on credit 12,000</p> <p>17th April: Sold goods worth 15,000 to Tarun</p> <p>19th April: Sold goods for cash 20,000</p> <p>20th April: Sold goods to Utsav for cash 6,000</p> <p>21st April: Sold goods to Pranav on credit 17,000</p> <p>22nd April: Returned goods to Venu 3,000</p> <p>23rd April: Goods returned from Tarun 1,000</p> <p>25th April: Goods taken by the proprietor for personal use 1,000</p>	10	3	CO1																																				
20.	<p>Mrs. Sajina keeps her books of accounts under single entry system. From the following prepare Trading & Profit and loss account for the year ended 31-3-2024 together with balance sheet as on that date. Cash book analysis shows the following:-</p> <table border="0" data-bbox="164 1048 786 1424"> <tr> <td>Interest charges</td> <td align="right">₹ 100</td> </tr> <tr> <td>Personal withdrawals</td> <td align="right">₹ 2,000</td> </tr> <tr> <td>Staff salaries</td> <td align="right">₹ 8,500</td> </tr> <tr> <td>Other business expenses</td> <td align="right">₹ 7,900</td> </tr> <tr> <td>Payments to creditors</td> <td align="right">₹15,000</td> </tr> <tr> <td>Balance at bank on 31-3-2024</td> <td align="right">₹ 2,425</td> </tr> <tr> <td>Cash in hand as on 31-3-2024</td> <td align="right">₹ 75</td> </tr> <tr> <td>Received from debtors</td> <td align="right">₹ 25,000</td> </tr> <tr> <td>Cash sales</td> <td align="right">₹ 15,000</td> </tr> </table> <p>Further details available are:</p> <table border="1" data-bbox="256 1487 1123 1749"> <thead> <tr> <th></th> <th align="center">1-4-2023</th> <th align="center">31-3-2024</th> </tr> </thead> <tbody> <tr> <td>Stock in hand</td> <td align="center">9,000</td> <td align="center">10,220</td> </tr> <tr> <td>Creditors</td> <td align="center">8,000</td> <td align="center">5,500</td> </tr> <tr> <td>Debtors</td> <td align="center">22,000</td> <td align="center">30,000</td> </tr> <tr> <td>Furniture</td> <td align="center">1,000</td> <td align="center">1,000</td> </tr> <tr> <td>Office premises</td> <td align="center">15,000</td> <td align="center">15,000</td> </tr> </tbody> </table> <p>Provide 5% interest on Sajina's capital balance as on 1-4-2023. Provide ₹1,500 for D/D, 5% depreciation on all fixed assets. 5% group commission to staff has to be provided for on N/P after meeting all expenses and the commission.</p>	Interest charges	₹ 100	Personal withdrawals	₹ 2,000	Staff salaries	₹ 8,500	Other business expenses	₹ 7,900	Payments to creditors	₹15,000	Balance at bank on 31-3-2024	₹ 2,425	Cash in hand as on 31-3-2024	₹ 75	Received from debtors	₹ 25,000	Cash sales	₹ 15,000		1-4-2023	31-3-2024	Stock in hand	9,000	10,220	Creditors	8,000	5,500	Debtors	22,000	30,000	Furniture	1,000	1,000	Office premises	15,000	15,000	10	3	CO4
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