QP CODE: D2BAF2501	**(Pages: 3)**	**Reg. No**	**:**	**...............................**
		Name	**:**	**...............................**

SECOND SEMESTER FYUGP EXAMINATION, APRIL 2026

Discipline Specific Core (DSC) Courses - Major

(Regular - 2025 Admissions)

AFA2CJ103 : Financial Accounting

(Credits: 4)

Time: 2 Hours	**Maximum Marks: 70**

Section A

Answer the following questions. Each carries 3 marks (Ceiling: 24 marks)

1.	What do you mean by accounting principles?	BL2	CO1, CO2, CO3
2.	What do you mean by Straight line method of depreciation?	BL2	CO1, CO2, CO3, CO4
3.	Why is a Balance Sheet called a statement and not an account?	BL2	CO1, CO2, CO3, CO4
4.	State any three reasons why accurate profit cannot be easily determined under Single Entry System.	BL3	CO1, CO2, CO3, CO4
5.	Define accounting.	BL1	CO1, CO3
6.	State any three objectives of preparing a Trial Balance.	BL2	CO1, CO2, CO3
7.	Debtors ₹50,000; Provision for bad debts ₹2,500. Provision for discount on debtors is to be created at 4%. Calculate the amount of provision.	BL2	CO1, CO2, CO3, CO4
8.	Debtors ₹1,20,000; Existing provision ₹6,000. Further bad debts ₹4,000 are to be written off. Create a new provision at 5% on debtors. Calculate new provision.	BL3	CO1, CO2, CO3, CO4
9.	Explain the computation of profit according to net worth method.	BL2	CO1, CO2, CO3, CO4
10.	Why are adjustment entries necessary for accruals and prepayments?	BL3	CO1, CO2, CO3, CO4

Section B

Answer the following questions. Each carries 6 marks (Ceiling: 36 Marks)

11.	Explain the meaning of Error of principle with suitable examples.	BL2	CO1, CO2, CO3, CO4
12.	Explain the written down value method of depreciation. State its advantages and limitations. **(PTO)**	BL2	CO1, CO2, CO3, CO4

13.	Identify debit and credit aspects from the following transactions a) Bought in Capital ₹100000 b) Bought goods from Raju ₹20000 c) Sold goods to Mathew ₹15000 d) Cash purchases ₹18000 e) Cash sales ₹10000 f) Received commission ₹1000 g) Paid to Bank ₹5000 h) Paid wages ₹ 1000 i) Paid Freight ₹500	BL3	CO1, CO2, CO3
14.	From the following data, ascertain the amount of creditors as on 31-12-2025. Creditors as on 1-1-2025-₹10000 Cash paid to creditors-₹20000 Purchases(Including credit purchases of ₹25000)-₹35000 Bills payable issued to creditors-₹5000 returns outwards-₹5000 Discount allowed by creditors-₹1000	BL3	CO1, CO2, CO3, CO4
15.	Explain why Double Entry System provides more reliable financial information than Single Entry System.	BL2	CO1, CO2, CO3, CO4
16.	Explain the steps in Journalising.	BL2	CO1, CO2, CO3, CO4
17.	Distinguish between errors of omission and errors of commission.	BL2	CO1, CO2, CO3, CO4
18.	From the following information, calculate Raw materials Consumed: • Opening stock of raw materials ₹25,000 • Purchases ₹1,20,000 • Carriage inward ₹5,000 • Closing stock of raw materials ₹30,000	BL3	CO1, CO2, CO3, CO4
Section C			
Answer any one question. Each carries 10 marks (1 x 10 = 10 Marks)			
19.	Journalise the following transactions,post them in ledger, balance the accounts and find the closing balances: • Jan 1: Started business with cash ₹1,00,000 • Jan 2: Deposited into bank ₹40,000 • Jan 4: Purchased goods ₹25,000 (cash) • Jan 6: Purchased goods from Anil ₹18,000 • Jan 9: Sold goods ₹30,000 (cash) • Jan 12: Sold goods to Raju ₹22,000	BL2	CO1, CO2, CO3

	• Jan 15: Paid carriage ₹2,000 • Jan 18: Paid Anil ₹17,500 in full settlement • Jan 22: Received from Raju ₹21,000 in full settlement • Jan 25: Paid salary ₹5,000 • Jan 28: Withdrew cash for personal use ₹3,000 • Jan 31: Received commission ₹2,500		
20.	From the following particulars prepare Profit and Loss account Particulars: • Gross Profit ₹1,10,000 • Salaries ₹25,000 • Wages (office) ₹12,000 • Carriage outward ₹7,000 • Printing and stationery ₹5,000 • Rent ₹15,000 • Discount allowed ₹3,000 • Interest received ₹4,000 • Advertisement ₹6,000 Adjustments: 1. Salaries outstanding ₹2,500. 2. Advertisement prepaid ₹1,500. 3. Depreciation on furniture ₹4,000. 4. Interest received accrued ₹1,000.	BL3	CO1, CO2, CO3, CO4
	CO : Course Outcome		
	BL : Bloom’s Taxonomy Levels (1 – Remember, 2 – Understand, 3 – Apply, 4 – Analyse, 5 – Evaluate, 6 – Create)		