

QP CODE: 24900017



Reg No:.....

Name:.....

MAHATMA GANDHI UNIVERSITY, KOTTAYAM

FIRST SEMESTER MGU-UGP (HONOURS)

REGULAR EXAMINATION NOVEMBER 2024

First Semester

Core Course - MG1CCRBBA101

FINANCIAL ACCOUNTING

(2024 ADMISSION ONWARDS)

Duration: 2 Hours

Maximum Marks: 70

**Remember (K), Understand (U), Apply (A), Analyse (An), Evaluate (E), Create (C), Interest (I),
Appreciation (Ap), and Skill (S)**

*Students should attempt atleast one question from each course outcome to enhance their overall
outcome attainability.*

[Learning Domain][CO No(s)]

Part A

Short Answer Type Questions.
Answer any 5 out of 8 questions.
Each question carries 2 marks.

1	Describe accounting equation?	[U]	[1]
2	Name three key functions of accounting.	[U]	[1]
3	Translate a given business transaction into debit and credit entries.	[U]	[3]
4	interpret the relationship between ledger entries and trial balance.	[K]	[3]
5	What do you mean by accrued income?	[U]	[5]
6	What is paid-up capital?	[U]	[2]
7	How does the Companies Act 2013 define "current assets" in the Balance Sheet?	[U]	[2]

8	In a vertical format of the income statement, where is the net profit or loss shown?	[K]	[2]
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(5 × 2 = 10)

Part B

Short Essay Type Questions
Answer any 4 out of 6 questions.
Each question carries

9	Develop an accounting equation with respect to Anita Fabrics on 1st April 2010. a) Started business with a capital of Rs. 1,20,000. b) On 3rd April 2010, purchased furniture for Rs. 20,000. c) On 15th April 2010, bought raw materials on credit from Suresh for Rs. 60,000. d) On 5th May 2010, paid Rs. 30,000 to Suresh.	[A]	[1]
10	Compare single entry and double entry systems in the context of journal entries.	[U]	[3, 4]
11	Compare the roles of the Purchases book and the Sales book in recording business transactions.	[U]	[3, 4]
12	Describe in detail how the balance sheet is grouped and marshalled.	[K]	[5]
13	Describe the main sections of a Balance Sheet as per the Companies Act, 2013.	[U]	[2]
14	What are the primary differences in data presentation between the vertical and horizontal formats of the balance sheet and income statement?	[U]	[2]

(4 × 5 = 20)

Part C

Essay Type Questions
Answer any 2 out of 4 questions.
Each question carries 20 marks

15	Describe five primary business stakeholders and discuss how each uses financial information to make informed decisions.	[U]	[1]
16	Show the impact of the following transactions on the accounting equation for Vinay Bookstore. a) On 5th April 2020, Vinay started the business with ₹ 4,00,000. b) On 7th April 2020, rented a shop for ₹ 1,00,000. c) On 10th April 2020, bought bookshelves for ₹ 20,000. d) On 12th April 2020, purchased books on credit from Priya for ₹ 60,000. e) On 15th April 2020, deposited ₹ 1,50,000 in the bank. f) On 18th April 2020, bought chairs and tables for ₹ 15,000.	[A]	[1]

	g) On 20th April 2020, bought additional books for cash ₹ 90,000.		
17	<p>3. Given the following details, prepare Trading and Profit and Loss A/c and Balance Sheet:</p> <ul style="list-style-type: none"> o Opening Stock: 30,000 o Purchases: 50,000 o Sales: 1,25,000 o Carriage Outwards: 4,000 o Direct Expenses: 5,000 o Capital: 1,20,000 o Cash at Bank: 45,000 o Motor Vehicle: 35,000 o Creditors: 40,000 o Loan from Bank: 20,000 o Building: 85,000 o Rent received: 7,500 o Salary: 4,500 o Insurance: 3,500 o Interest Paid: 2,000 o Postage and Telegram: 1,000 o Closing Stock: 22,000 	[A]	[5]
18	<p>Classify the following transactions and prepare a cash book with cash, bank, and discount columns</p> <p>1-11-2023 The opening balances were Rs.7000/- in cash and Rs.15000/- in the Bank</p> <p>02-11-2023 Made cash sales of Rs.4500/-</p> <p>04-11-2023 Paid a supplier Rs.3000/- through bank with a discount of Rs.150/-</p> <p>07-11-2023 Paid office rent of Rs.1800/- in cash</p> <p>09-11-2023 Received Rs.2500/- in cash from a debtor with an allowed discount of Rs.200/-</p>	[U]	[3, 4]

(2 × 20 = 40)

END OF THE QUESTION PAPER
