Register No : ___________________

THE KAVERY ENGINEERING COLLEGE

(An Autonomous Institution)

UG/PG DEGREE END SEMESTER THEORY EXAMINATIONS, APRIL/MAY 2026

First Semester

Master of Computer Applications

PMCT2404 - FUNDAMENTALS OF ACCOUNTING

Regulations - 2024

Duration : 3 Hrs *Maximum : 100 Marks*

PART – A (ANSWER ALL QUESTIONS) (Marks 10*2=20)

Q.No	*Questions*	*BTL*	*CO*	*Marks*
1.	What is cost accounting?	L1	1	2
2.	Recall the meaning of term book keeping.	L1	1	2
3.	Show the Characteristics of Management Accounting.	L2	2	2
4.	State the golden rules of Accounting.	L1	2	2
5.	List any two features of Budget.	L1	3	2
6.	Write short note on: "Zero base Budgeting."	L1	3	2
7.	Identify the meaning of the term Inventory.	L1	4	2
8.	Define a suspense account and state its primary purpose.	L1	4	2
9.	Which is called bank reconciliation statement?	L1	5	2
10.	What is data encryption and why is it important for financial records?	L1	5	2

PART – B (ANSWER ALL QUESTIONS) (Marks 5*16 = 80)

Q.No		*Questions*	*BLT*	*CO*	*Marks*
11.	a	Discuss the user of Accounting Information in detail.	L2	1	16
		Or			
	b	Explain the Concepts and conventions of financial accounting?	L2	1	16
12.	a	From the following Trial Balance, prepare Trading, P& L And B/S of Mr K for the year ended 31.3.2015.	L4	2	16

Particulars	Debit	Credit
Capital		2,00,000
Purchases and Sales	1,50,000	2,50,000
Return	500	1,000
Wages	3,000	
Rent		5,000
Sundry Debtors	30,000	
Commission		4,000
Insurance Premium	1,250	
Land & Building	2,75,000	
Carriage inwards	250	
Total	4,60,000	4,60,000

Adjustments:
1. Closing Stock Rs 70,000
2. Outstanding Wages Rs 850
3. Rent received in advance Rs 550
4. Accrued Commission Rs 1150
5. Prepaid Insurance Premium Rs 250.

Or

b From the following particulars pertaining to assets and liabilities of a company. L4 2 16

Calculate:
(i) Current ratio
(ii) Liquid ratio
(iii) Proprietary ratio
(iv) Debt – equity ratio

Liabilities	Rs	Assets	Rs
5,000 equity shares of Rs. 100 each	5,00,000	Land & Building	6,00,000
2,000 8% preference shares of Rs. 100 each	2,00,000	Plant & Machinery	5,00,000
4,000 9% debentures of Rs. 100 each	4,00,000	Stock	2,40,000
Reserves	3,00,000	Cash & Bank	55,000
Creditors	1,50,000	Prepaid expenses	5,000
Bank O/D	50,000	Debtors	2,00,000
	16,00,000		16,00,000

13. a Classify and explain the types of Budgets with its merits and demerits. L4 3 16

Or

b Prepare cash budget (three months) including the extent of bank facilities co. will required at end of each months. L4 3 16

Months	Sales	Purchase	Wages
April	1,80,000	1,40,000	15,000
May	1,90,000	1,40,000	14,000
June	1,10,000	2,30,000	12,000
July	1,70,000	2,40,000	10,000
August	1,20,000	2,60,000	15,000

1.Debtors are paid in the month following the month of sales
2.Creditors are paid in 2 months
3. Cash balance on 1st June 25,000.

14. a Discuss the functions and objectives of Financial Management. L5 4 16

Or

b Propose a detailed explanation of the Straight-Line Method and written down method of depreciation including formula, characteristics, advantages, and a worked example. L5 4 16

15.	a	Elaborate the concept of exporting and importing data in the context of financial information systems?	L4	5	16
		Or			
	b	You are given the following balances: • Cash book balance as on 31 March: Dr ₹1,25,000 • Bank statement balance as on 31 March: Dr ₹1,18,000 (credit balance) • Cheques issued but not presented: ₹14,000 • Cheques deposited but not credited by bank: ₹8,500 • Bank charges for March: ₹600 (not yet recorded in cash book) • Direct debit for insurance premium: ₹1,200 (not yet recorded) • Interest credited by bank: ₹450 (not yet recorded) Prepare the bank reconciliation statement for 31 March and show the necessary journal entries in the books of the drawer.	L4	5	16