

Reg. No.....

Name.....

**UNDERGRADUATE END SEMESTER EXAMINATION: OCTOBER 2022****SEMESTER 5 : COMMERCE (OPEN COURSE)****COURSE: 19U5OCCOM1 : FUNDAMENTALS OF ACCOUNTING***(For Regular - 2020 Admission and Supplementary - 2015/2016/2017/2018 /2019 Admissions)*

Time: Three Hours

Max. Marks: 75

**PART A****Answer any 10 (2 marks each)**

1. Explain the term Accounting.
2. Outline the meaning of accounting standards.
3. State the meaning of contingent liabilities.
4. Explain the accounting period concept.
5. List the rules of debit and credit for the five categories of accounts.
6. What is the need for maintaining sub-divisions of the journal?
7. Prepare a brief note on trade discount.
8. Explain the concept of contra entry.
9. What is a suspense account?
10. What is a trading account?
11. What is meant by gross loss?
12. Outline the meaning of Cost of Goods Sold.

(2 x 10 = 20)

**PART B****Answer any 5 (5 marks each)**

13. Comment on the term capital expenditure. Give some examples.
14. Explain any five accounting principles.
15. What is a trial balance? Explain its features and objectives.
16. Differentiate between trading account and profit and loss account.
17. Prepare a simple Cash Book for the month of April 2022 from the following particulars:

Prepare a single column cash book from the following transaction:

April 1	Commenced business with cash	Rs. 3,00,000
April 2	Bought furniture	Rs. 20,000
April 4	Purchased stationery	Rs. 12,000
April 6	Cash sales	Rs. 40,000
April 10	Purchased goods for cash	Rs. 34,000
April 11	Paid wages	Rs. 5,000
April 12	Paid commission	Rs. 10,000
April 13	Cash sales	Rs. 12,000

18. From the following ledger accounts balances prepare a trial balance as on 31.3.2015.

Particulars	Amount Rs.
Capital	8,000
Bad debts recovered	250
creditors	1,250

Returns outward	350
Bank overdraft	1,570
Rent	360
salaries	850
Trade expenses	300
Cash in hand	210
Opening stock	2,450
Purchases	11,870
Debtors	7,580
Cash at bank	2,750
Discount allowed	40
Drawings	600
Returns inward	450
sales	14,690
Bills payable	1,350

19. From the transactions given below, prepare the sales book of M/s QQ Papers for the month of January 2020.

- 2020 January 1            Sold on credit to Zenith Traders  
                                  100 packs of craft papers @ Rs. 150 per pack  
                                  80 dozens of writing pads @ Rs. 240 per dozen  
                                  Less : 5 % trade discount
- January 8                Sold to Premkumar for cash  
                                  15 packs of A4 sheets @ Rs. 250 per pack
- January 20               Sold to Sreedevi enterprises  
                                  50 packs of Hand made paper @ Rs. 200 each  
                                  10 dozens of pencils @ Rs. 20 per dozen  
                                  Less : 5 % trade discount

20. From the following, prepare a Trading account for the year ended 31st March 2018.

Particulars	Amount
Cash Purchase	1,72,000
Credit Purchases	2,60,000
Cash Sales	6,00,000
Credit Sales	1,30,000
Return Inward	10,000
Returns Outward	20,000
Wages Paid	43,000
Carriage Inwards	17,000
Carriage Outwards	10,000
Manufacturing Expenses	12,000
Stock on April 1, 2017	60,000
Stock on March 31, 2018	70,000

(5 x 5 = 25)

### PART C

**Answer any 3 (10 marks each)**

21. Analyze the following transactions under the Accounting Equation Approach.

- a) Commenced business with cash Rs.5,00,000

- b) Purchased goods Rs.25,000
- c) Paid salary Rs.10,000
- d) Sold goods costing Rs.20,000 at a profit of 25% on the cost
- e) Paid salary in advance Rs.2,000
- f) Introduced additional capital Rs.10,000
- g) Purchased computer for office use Rs.15,000
- h) Deposited Rs.50,000 into the bank
- i) Paid rent Rs.5,000
- j) Received commission Rs. 2,000

22. Following is the Trial balance of Lalitha on 31.3.2019. Prepare the final accounts.

Trial balance as on 31.3.2019

Particulars	Dr. Amount	Cr. Amount
Capital		2,00,000
Stock on 1.4.2020	50,000	
Cash at bank	15,000	
Machinery	90,000	
Furniture	40,000	
Purchase	2,50,000	
Wages	50,000	
Carriage inwards	10,000	
Salaries	80,000	
Insurance	12,000	
Advertising	8,000	
Office expenses	10,000	
Sales		4,00,000
Sundry Debtors	40,000	
Sundry Creditors		55,000
	6,55,000	6,55,000

The value of closing stock on 31<sup>st</sup> March 2021 was Rs. 75,000.

23. Pass journal entries in the books of M/S Ramlal Traders

2020	Rs.
July 01: Commenced business with cash	2,00,000
July 02: Opened bank account with ICICI Bank	50,000
July 03: Purchased furniture for cash	30,000
July 07: Bought goods from Arjun & Co.	20,000
July 08: Purchased goods from M/S Himalaya Traders	40,000
July 10: Sold goods for cash	14,000
July 14: Sold goods for credit to Zee Ltd.	30,000
July 16: Paid rent	5,000
July 18: Paid trade expenses	6,000
July 19: Received cash from Zee Ltd.	10,000
July 20: Goods returned to Arjun & Co.	5,000
July 22: Cash paid to Arjun & Co.	15,000
July 24: Bought postage stamps	150
July 29: Paid salary	5,000

24. Enter the following transactions in a triple column cash book

2020			Rs.
Jan 1	Opening balance	Cash	16,000.00
		Bank	20,000.00
Jan 6	Paid to Ram		3,000.00
Jan 7	Cash sales		10,000.00
Jan 8	Deposited cash into bank		5,000.00
Jan 9	Paid Leena		2,850.00
	Discount received		150.00
Jan 11	Withdrew from bank		3,000.00
Jan 12	Kevin, a customer directly deposited into bank		5,000.00
Jan 15	Cash purchases		2,000.00
Jan 21	Bank charges		500.00
Jan 22	Received from Rema		2,510.00
	Discount allowed		90.00
Jan 23	Drawings made by the proprietor		2,000.00
Jan 24	Purchased furniture		3,000.00
Jan 30	Paid salary		5,000.00
Jan 30	Paid to Rinsa		4,800.00
	Discount received		200.00

25. Mr. Imtiaz the petty cashier of M/s Annapurna Traders received Rs.10,000 on April 1, 2018 from the Head Cashier. Following were the petty expenses of the firm.

2018		(₹)
April		
2	Bus fare	80
2	Refreshments	150
3	Postal charges	200
4	Wages	700
8	Auto fare	200
9	Courier charges	150
12	Postal Stamps	600
14	stationery	100
17	Speed Post charges	200
20	Cartage	600
22	Wages	300
24	Bus fare	600
26	Refreshments	750
30	Printing	200
30	Wages	200

You are required to prepare a Petty Cash Book.

(10 x 3 = 30)

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