QP CODE: 21100119

Reg No : .....

Name : .....

UNDERGRADUATE (CBCS) EXAMINATION, FEBRUARY 2021

Fifth Semester

(Offered by the Board of Studies in Commerce)

Open Course - CO5OPT03 - FUNDAMENTALS OF ACCOUNTING

2017 Admission Onwards

1F8FC043

Time: 3 Hours Max. Marks : 80

Part A

Answer any ten questions.

Each question carries 2 marks.

1. Explain Double Entry System of Accounting.
2. What is opening entry?
3. Narrate the rules of debit and credit as per Modern Approach.
4. Define real account? Give Example.
5. List out any two reasons of cash discount allowed by business houses?
6. Explain Posting.
7. Explain Debit Note and Credit Note.
8. What are the limitations of a Trial Balance?
9. What is a Balance Sheet? What is the need of preparing it?
10. What do you mean by direct expense?
11. Prepare Trading Account from the following items:

Purchases	Rs. 41000
Opening stock	Rs. 9000
Sales	Rs. 75000
Carriage inwards	Rs. 1500
Wages	Rs. 2000
Closing stock	Rs. 12000

12. What do you mean by grouping and marshalling of assets and liabilities?

(10×2=20)

Part B

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. Why accounting is called the language of the business world? Explain.

14. Distinguish between Book Keeping and Accounting

15. What is a Liability? Explain its types

16. Pass the opening entry on the basis of the following information obtained from the business of Mr. Shyam

	Rs.
Cash in hand	2000
Sundry debtors	6000
Stock of Goods	4000
Machinery	5000
Land and Buildings	10000
Sundry Creditors	10000

17. Journalise the following transaction

    1. Mr. Raju sold to Mr. Sonu goods of the catalogue price 10,000 at a trade discount of 10%
    2. Mr. Sam owes an amount of 1,000 to Mr. Ram. Mr. Sam makes the payment promptly and Mr. Ram allows a reduction of 50.

18. Explain the advantages of Journal?

19. From the following particulars prepare the account of Mr.Sangeeth as it would appear in the books of Mr.Roy

March
2019

7	Sold goods to Mr.Sangeeth	3000
15	Mr.Sangeeth returned goods	500
18	Mr.Sangeeth paid on account	1000
20	Discount allowed to Mr.Sangeeth	300
21	Received a cheque from Mr.Sangeeth and deposited into bank	700
25	Paid cash	70

20. Prepare a Trial Balance from the Following

Particulars	Amount (Rs)
Cash	38750
Capital	50000
Purchases	4500
Creditors	2000
Furniture	8000
Debtors	1000
Sales	3000
Commission	750
Rent	3500

21. Mention the differences between a Balance sheet and a Trial balance.

(6×5=30)

Part C

*Answer any **two** questions.*

*Each question carries **15** marks.*

22. From the following particulars prepare cash book with cash, bank and discount columns.

2019 April

1	Nikesh commenced business with cash Rs.25000 and by transferring Rs.50000 from his savings account to current account opened in the name of business
2	Goods purchased by cheque Rs.4000
4	Cash sales Rs.5000
6	Goods purchased from Sunil Rs.3000
8	Goods sold to Akash Rs.8000
10	Akash issued a cheque for Rs.7900 in full settlement of his account
14	Deposited cash into bank Rs.4000
16	Purchased goods from Soman for Rs.5000 and sold the same goods to Cheriyan for Rs.6000
18	Cheriyan returned 25% of goods
20	Received cheque from Cheriyan for Rs.4475 in full settlement. The cheque was deposited in the bank on the same day

22	Issued a cheque to Soman for Rs.4800 in full settlement of his account
30	Withdrew by cheque for Rs.500 for personal use

23. Explain in detail the various Accounting Concepts and Conventions.

24. Explain the various subsidiary books maintained by a firm. Also Explain the advantages of Subdivion of journal

25. The following is the trial balance on 31st March 2019

Particulars	Debit (Rs.)	Credit (Rs.)
Capital		58400
Opening stock	15000	
Purchases	60000	
Sales		110000
Purchases return		3500
Sales return	2200	
Advertisement	3000	
Freight	3800	
Bank charges	1000	
Discount allowed	1200	
Discount received		1800
Machinery	20000	
Sundry debtors	30000	
Sundry creditors		18000
Drawings	8000	
Cash in hand	1200	
Cash at bank	2500	
Manufacturing expenses	3800	
Land and building	40000	
	191700	191700

The closing stock is valued at Rs. 19500

Prepare Trading and Profit and Loss Account for the year ending 31st March 2019 and Balance Sheet as on that date.

(2×15=30)