



M 2084

Reg. No. :

Name :



V Semester B.A./B.Sc./B.Com./B.B.A./B.B.A.T.T.M./B.B.M./B.C.A./B.S.W./
B.A. Afsal UI Ulama Degree (CCSS – Reg./Supple./Improv.)
Examination, November 2012
OPEN COURSE IN COMMERCE/BUSINESS ADMINISTRATION
5D01 COM/BBA/BBA(T) : Basic Accounting

Time : 2 Hours

Max. Weightage : 20

PART – A

This Part consist of two bunches of questions carrying **equal** weightage of **one**. Each bunch consists of **four** objective type questions. Answer **all** questions.

- I. 1. The journal is a book of
 - a) only cash transactions
 - b) original entry
 - c) credit sales and purchases
 - d) secondary entry
2. Wages owing is
 - a) Personal account
 - b) Impersonal account
 - c) Real account
 - d) Nominal account
3. Double column cash book records
 - a) all transactions
 - b) cash and bank transactions
 - c) only cash transactions
 - d) only credit transactions
4. The source document for recording entries in the purchases returns journal is generally
 - a) a credit note
 - b) an invoice
 - c) a bill
 - d) a debit note

(W=1)

P.T.O.



- II. 5. Cash book does not record transactions of
- a) cash nature
 - b) credit nature
 - c) cash and credit nature
 - d) none of these
6. The periodic total of sales return journal is posted to
- a) sales account
 - b) goods account
 - c) purchase return account
 - d) sales return account
7. Journal proper records
- a) all transactions
 - b) all cash transactions
 - c) all credit transactions
 - d) all transactions not recorded in any of subsidiary books
8. Credit balance of bank column in cash book shows
- a) overdraft
 - b) cash deposited in our bank
 - c) cash withdrawn from bank
 - d) none of these

(W=1)

PART – B

Answer **any six** questions in **one** or **two** sentences **each**. Each question carries a weightage of **one**.

- 9. What do you understand by ledger folio ?
- 10. State the meaning of preparing trial balance.
- 11. What do you mean by rectifying entry ?
- 12. What is an invoice ?
- 13. What do you understand by contra entries ?
- 14. What is debit note ?
- 15. What is error of principle ?
- 16. What is trading account ?
- 17. What is narration ?
- 18. What is the difference between Gross profit and Net profit.

(W=6×1)



PART – C

Answer **any four** questions. Answer not to exceed **one** page. **Each** carries a weighage of **two**.

19. Journalise the following transactions.

2010

Jan. 1	Mohan started business with cash	Rs. 30,000
Jan. 2	Sold goods for cash	Rs. 5,000
Jan. 3	Paid salary	Rs. 3,000
Jan. 4	Purchased goods on credit from Ram	Rs. 9,000
Jan. 5.	Cash paid into bank	Rs. 5,000

20. Write out the account of Mr. Kumar from the following transactions and balance it on 31st Jan. 2011.

2011

Jan. 1	Sold goods to Kumar invoiced at	Rs. 1,800
" 5	Remitted on account by him	Rs. 750
" 7	Purchased goods from Kumar valued at	Rs. 600
" 10	Cash received from him	Rs. 200
" 12	Sale of goods to Kumar	Rs. 300
" "	He returned goods	Rs. 300
" 14	We provided him cash	Rs. 250
" 18	He repaid the amount borrowed	Rs. 250

21. Enter the following transactions in a double column cash book of Mohan and balance it.

2010

June 1	Opening balance : Cash in hand	Rs. 1,900
	Cash at Bank	Rs. 4,300
3	Purchased goods for cash	Rs. 1,200
5	Sold goods for cash	Rs. 3,000
7	Paid to Sajeev by cheque	Rs. 2,250
10	Received a cheque from Raju and deposited to bank	Rs. 3,100
13	Deposited cash into bank	Rs. 1,500



16	Purchased stationery	Rs. 150
19	Received commission	Rs. 350
21	Withdrew cash from bank	Rs. 750
23	Paid rent by cheque	Rs. 450
25	Drew cash from bank for domestic use	Rs. 600
27	Received cash on sales	Rs. 2,400
28	Withdrew cash for domestic use	Rs. 300
29	Issued a cheque to Ramesh	Rs. 1,000
30	Paid into bank	Rs. 2,000
"	Bank charges	Rs. 50

22. Enter the following transactions in the purchase book.

2011

- Jan. 1 Bought of B. Ratnam, Calicut
 100 kg sugar at Rs. 4.50 per kg
 50 kg tea at Rs. 14.50 per kg
 Less trade discount 4%
- " 7 Purchased from Arul Jyothi Traders, Cochin
 10 bags of rice at Rs. 150 per bag
 Less trade discount 5%
- " Bought of C. Rajan, Madras
 50 bags of wheat at Rs. 100 per bag
 Less trade discount 10%
- 18 Purchased D. Kurian, Thrissur
 15 chests of tea, each 30 lb. at Rs. 5 per lb.
- 22 Purchased from David and Co. Palghat
 15 tins of biscuits at Rs. 75 per tin
 10 tins of sweets at Rs. 60 per tin
- 31 Bought of Divakar and Co. Salem
 300 Kg. Sugar at Rs. 3.50 per kg.
 150 kg. Coffee at Rs. 11.50 per kg.
 Less trade discount 10%



23. On June 30th 2010 the cash book of Mukesh showed a debit balance of Rs. 2,905 where as his pass book showed a balance of Rs. 2,203 (credit). On checking the pass book it was found that :

- 1) A cheque for Rs. 1,510 issued to Vijay on 28th June was not cashed until 3rd July 2010.
 - 2) A cheque received from a customer for Rs. 2,225 on 27th June was not collected by the bank before 30th June.
 - 3) There was a credit in the pass book for Rs. 45 as interest allowed by the bank and a debit of Rs. 32 for bank charges which were not entered in the cash book.
- Prepare a Bank Reconciliation Statement as on 30th June 2010.

24. Rectify the following errors by passing journal entries if needed.

- 1) Goods worth Rs. 250 returned by Simon though correctly entered in the returns inward book was found debited in Sivan's a/c.
- 2) A credit purchase of goods from Rajan for Rs. 195 has been debited to his account as Rs. 591.
- 3) A discount of Rs. 40 allowed to Soman was shown in the discount column on the credit side of the cash book.
- 4) An amount of Rs. 800 paid to Hari was credited in his account.

25. From the following balances extracted from the books of M/s Soman and Bros. Prepare a trial balance as on 31st Dec. 2011.

Opening stock	Rs. 1,250
Sales	Rs. 11,800
Depreciation	Rs. 667
Commission (Cr.)	Rs. 211
Insurance	Rs. 380
Carriage inward	Rs. 300
Furniture	Rs. 670
Printing charges	Rs. 481
Carriage outwards	Rs. 200



Returns inwards	Rs. 1,659
Bank overdraft	Rs. 4,000
Bad debts	Rs. 180
Capital	Rs. 9,228
Creditors	Rs. 1,780
Bills payable	Rs. 541
Plant and machinery	Rs. 6,230
Returns outwards	Rs. 1,380
Cash in hand	Rs. 895
Salaries	Rs. 750
Debtors	Rs. 1,905
Discount (Dr.)	Rs. 328
Bills receivable	Rs. 2,730
Wages	Rs. 1,589
Purchases	Rs. 8,679
Petty cash in hand	Rs. 47

26. The following information relates to a business for the year 2010. Ascertain the gross profit.

	Rs.
Opening stock	16,000
Purchases	40,000
Purchase returns	1,500
Direct expenses	3,000
Sales	78,000
Sales returns	2,400
Closing stock	13,000

(W=4×2=8)



PART – D

Answer **any one**. Each question carries a weightage of **four**.

27. From the following Trial Balance, prepare trading and profit and loss account for the year ended 31st March 2011 and a balance sheet as on that date.

Particulars	Trial Balance	
	Debit Rs.	Credit Rs.
Capital	–	54,000
Stock (1-4-2010)	9,500	–
Machinery	18,000	–
Purchase	19,500	–
Sales	–	30,750
Purchase returns	–	630
Sales returns	490	–
Direct wages	1,100	–
General expenses	590	–
Discount	385	–
Drawings	700	–
Salaries	1,100	–
Carriage inwards	530	–
Vehicles	14,000	–
Furniture	2,400	–
Sundry Creditors	–	4,035
Sundry Debtors	3,950	–
Cash in hand	540	–
Cash at bank	15,340	–
Insurance	850	–
Commission	–	410
Rent	850	–
	89,825	89,825

Adjustments :

- 1) Closing stock was valued at Rs. 10,900.
- 2) Wages outstanding Rs. 350.
- 3) Insurance prepaid Rs. 50.
- 4) Depreciate machinery by 10%.



28. Following is the Receipts and Payments accounts of Majestic Club, Calicut for the year ending 31st December, 2010.

Receipts	Amount Rs.	Payments	Amount Rs.
Balance b/d	2,100	Rent	9,500
Subscriptions	56,800	Salaries	25,000
Interest	400	Sundry expenses	3,500
Donation (General purpose)	6,000	Investment purchased	25,000
Donation for building fund	55,000	Newspapers	800
Miscellaneous receipt	620	Sports equipment (30-6-2010)	30,000
Sale of grass	200	Balance c/d	27,320
	1,21,120		1,21,120

Subscriptions outstanding at the end of 2009 were Rs. 4,500 and at the end of 2010 were Rs. 6,500. Salaries outstanding at the end of 2009 and at the end of 2010 were Rs. 2,500 and 3,000 respectively. On 31st Dec. 2009, the club had investments worth Rs. 15,000, Furniture Rs. 12,000 and sports equipments valued at Rs. 40,000.

Prepare Income and Expenditure Account for the year ended 31st December 2010 and a Balance Sheet as on that date after depreciating furniture by 10% and sports equipment by 20%.

29. Distinguish between Financial Accounting and Cost Accounting. (W=1×4=4)