



QP CODE: 21101668



Reg No :

Name :

**UNDER GRADUATE (CBCS) SPECIAL SUPPLEMENTARY EXAMINATION,
JULY 2021**

Fifth Semester

(Offered by the Board of Studies in Commerce)

OPEN COURSE - CO5OPT03 - FUNDAMENTALS OF ACCOUNTING

2018 Admission Only

F13D992C

Time: 3 Hours

Max. Marks : 80

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. What do you mean by Fictitious Assets?
2. Draw a specimen of Journal.
3. Narrate the rules of debit and credit as per Conventional Approach.
4. What are Nominal Accounts? Give Example.
5. What is Cash Discount?
6. Explain the meaning of casting.
7. Explain Debit Note and Credit Note.
8. Define Trial Balance.
9. What are financial statements?
10. What is a closing entry? Give two examples.
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. What are the main limitations of Accounting?
14. Distinguish between Book Keeping and Accounting
15. What are the advantages of Double Entry System of Accounting?
16. Show the opening entry from the following particulars

| | Rs. |
|------------------|-------|
| Cash in hand | 5000 |
| Cash at Bank | 10000 |
| Machinery | 6000 |
| Stock | 7000 |
| Sundry Debtors | 10000 |
| Sundry Creditors | 5000 |
| Bills Receivable | 3000 |
| Bills Payable | 1000 |
| Loan (Cr) | 2000 |

17. Pass journal entries in respect of the following transactions

| Date | Transactions | Amount (Rs.) |
|---------|----------------------------------|--------------|
| 2019 | | |
| March 1 | Rama Commenced business with | 100000 |
| 2 | Paid into bank | 80000 |
| 3 | Purchased goods for cash | 5000 |
| 4 | Bought Furniture | 4000 |
| 10 | Drew from bank for office | 10000 |
| 13 | Sold Goods to Gopu | 6000 |
| 15 | Bought goods from Sunil | 4100 |
| 19 | Received cash from Gopu | 5900 |
| | Allowed him discount | 100 |
| 25 | Paid wages | 5000 |
| 28 | Paid to Sunil in Full Settlement | 4000 |
| 30 | Paid Rent | 1000 |

18. Explain the advantages of Journal.
19. Distinguish between journal and Ledger.
20. Prepare a Trial Balance from the following.





| Particulars | Amount (Rs) |
|---------------------|-------------|
| Sales | 13000 |
| Purchase | 6000 |
| Creditors | 1800 |
| Cash | 1000 |
| Sales Returns | 3000 |
| Purchase Returns | 200 |
| Furniture | 2000 |
| Salary | 4000 |
| Commission Received | 1000 |

21. What are the differences between Profit and Loss Account and Balance Sheet?

(6×5=30)

Part C

Answer any **two** questions.

Each question carries **15** marks.

22. Explain in detail the various Accounting Concepts and Conventions

23. Explain the various subsidiary books maintained by a firm. Also Explain the advantages of Subdivision of journal.

24. Enter the following transactions in a Two column cash Book

2018

September

| | | |
|----|-------------------------------|-------|
| 1 | Commenced business with cash | 50000 |
| 2 | Bought goods for cash | 28000 |
| 5 | Received cash from Arun | 2000 |
| 7 | Paid cash to Sanjay | 2900 |
| | Discount allowed by him | 100 |
| 10 | Paid wages | 3000 |
| 14 | Cash received from Rajesh | 950 |
| | Allowed him discount | 50 |
| 15 | Paid into bank | 10000 |
| 18 | Cash sale | 2500 |
| 20 | Purchased stationery for cash | 250 |
| 23 | Paid cash to Suresh | 3900 |





| | | |
|----|----------------------|------|
| | Discount allowed | 100 |
| 25 | Received from Rajesh | 1900 |
| | Allowed him discount | 100 |
| 30 | Paid Salaries | 2000 |

25. Following Trading & Profit and Loss Account has been prepared by a junior accountant of a firm. Criticise it and redraft it correctly.

Trading & Profit and Loss Account for the year ended March 31,2019

| Particulars | Amount (Rs.) | Particulars | Amount (Rs.) |
|-----------------------------------|--------------|---------------------------------------|--------------|
| Opening stock of raw materials | 7352 | Closing stock of raw materials | 9368 |
| Purchases | 63681 | Sales | 170852 |
| Sundry creditors | 25375 | Sundry debtors | 40659 |
| Carriage inwards | 2654 | Gross loss c/d | 8182 |
| Carriage outwards | 394 | | |
| Salaries | 24370 | | |
| Wages | 51963 | | |
| Rent, rates & taxes | 3981 | | |
| Repairs to factory | 35368 | | |
| Insurance | 13923 | | |
| | 229061 | | 229061 |
| Gross loss b/d | 8182 | Bank overdraft | 17681 |
| Interest on loans | 6180 | Interest on Bank overdraft | 123 |
| Dividend from investments | 9375 | Net loss transferred to balance sheet | 39691 |
| Furniture purchases | 17681 | | |
| Telephone charges | 985 | | |
| Electric charges | 2756 | | |
| Depreciation on plant & machinery | 663 | | |
| General charges | 11673 | | |
| | 57495 | | 57495 |

(2×15=30)

