

Register No.: Name:

SAINTGITS COLLEGE OF ENGINEERING (AUTONOMOUS)

(AFFILIATED TO APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY, THIRUVANANTHAPURAM)

**FIRST SEMESTER INTEGRATED MCA DEGREE EXAMINATION (R), DECEMBER 2023
(2020 SCHEME)****Course Code: 20IMCAT109****Course Name: Fundamentals of Accountancy****Max. Marks: 60****Duration: 3 Hours****PART A****(Answer all questions. Each question carries 3 marks)**

1. "Every debit must have a corresponding credit". Explain
2. Write in brief the objectives of Accounting.
3. What do you understand by Grouping and Marshalling used in connection with the Balance sheet of a business?
4. Bring out the points of distinction between Trial Balance and Balance sheet.
5. Explain the treatment of provision for doubtful debts in final accounts.
6. State the importance of adjusting entries in the preparation of final accounts.
7. Distinguish between Straight line method and Diminishing balance method.
8. Write short note on :
 - a) Sum of digits method
 - b) Sinking fund method
9. What is meant by Analysis of Financial Statements?
10. State any 3 objectives of Comparative Financial statements.

PART B**(Answer one full question from each module, each question carries 6 marks)****MODULE I**

11. a) Explain the various Accounting concepts. (6)

OR

12. a) Explain the characteristics of a Company. (6)

MODULE II

13. a) Following Trial Balance has been prepared wrongly. You are required to redraft it correctly.

TRIAL BALANCEAs on 31st March 2021

(6)

Balance	Dr.	Cr.
Capital (01-04-2020)	8,950	
Drawings		1,050

Stock	3,725	
Purchases	23,100	
Sales		39,425
Wages and salaries	6,205	
Lighting and heating	310	
Equipment	3,600	
Carriage outward		230
Carriage inward	105	
Returns outward		290
Provision for bad debts	350	
Discount allowed		315
Rent, Rates & Insurance	1,115	
Motor vehicles	1,475	
Cash in hand	110	
Sundry Creditors	4,925	
Sundry Debtors		13,920
Bank Overdraft	975	
	54,945	55,230

OR

14. a) Mr.X a trader has extracted the following Trial balance from his books as on 31st March, 2021.

Particulars	Dr.	Cr.
Purchases,	4,00,000	
Sundry debtors	1,50,000	
Cash in hand	4,000	
Cash at bank	8,000	
Rent	3,000	
Insurance	9,000	
Salaries	42,000	
Carriage outwards	21,000	
Carriage inwards	18,000	
Sundry Creditors		50,000
Advertisement	9,000	
Furniture	28,000	
Investments	6,000	
Office Equipment	10,000	
Bills Receivable	6,000	
Bad debts	4,000	
Sales		6,00,000

(6)

Capital		1,00,000
Opening stock	30,000	
Electricity expenses	2,000	
	7,50,000	7,50,000

Stock on hand on 31st March, 2021 was Rs.1,00,000.

Prepare Trading and Profit and Loss Account and Balance sheet.

MODULE III

15. a) From the following trial balance of Sowmya on 31-12-2020 prepare final accounts.

Capital account		1,20,000
Drawings	15,000	
Bills receivable	22,000	
Machinery	20,000	
Debtors and Creditors	75,400	58,000
Wages	39,000	
Purchases and Sales	2,52,000	3,55,000
Commission		5,500
Rent and taxes	6000	
Stock on 1-1-2020	60,000	
Salaries	10,500	
Travelling Expenses	20,000	
Insurance	600	
Bad Debts	3,500	
Furniture	9,000	
Returns	5,000	2,000
Cash in Hand	500	
Cash at bank	2000	
	5,40,500	5,40,500

(6)

Adjustments:

1. Stock on hand on 31-12-2020 was Rs.1,00,000
2. Create 5% provision on debtors for doubtful debts.
3. Prepaid insurance amounts to Rs.100
4. Commission earned but not received amounts to Rs.500
5. Wages are unpaid to the extent of Rs.1,000
6. Depreciate machinery by 5% and furniture by 19% per annum.

OR

16. a) What adjusting entries would you pass in regard to:
- i) Outstanding expenses
 - ii) Prepaid expenses
 - iii) Accrued Income

(6)

- iv) Income received in advance

MODULE IV

17. a) On 1st April 2017, a limited company purchased a machine for Rs.1,90,000 and spent Rs.10,000 on its installation. At the date of purchase, it was estimated that the scrap value of the machine would be Rs.50,000 at the end of sixth year. (6)
Give Machinery and Depreciation A/c in the books of the company for 4 years after providing depreciation by Fixed Instalment method. The books are closed on 31st March every year. Rate of depreciation being 12.5% p.a.

OR

18. a) Define Depreciation and state the factors causing depreciation. (3)
b) Elucidate any four merits of providing depreciation under Reducing Instalment method. (3)

MODULE V

19. a) From the following information, prepare Comparative Balance Sheet of Depth Ltd.

Particulars	31st March 2018 (Rs.)	31st March 2017 (Rs.)
Equity share capital	25,00,000	25,00,000
Fixed Assets	36,00,000	30,00,000
Reserves and Surplus	6,00,000	5,00,000
Investments(Non-Current)	5,00,000	5,00,000
Long-term Loans	15,00,000	15,00,000
Current Assets	10,50,000	15,00,000
Current Liabilities	5,50,000	5,00,000

(6)

OR

20. a) From the following Statement of Profit and Loss, prepare Common-size Statement of Profit and Loss of Jayant Ltd for the year ended 31st March,2019.

STATEMENT OF PROFIT AND LOSS OF JAYANT LTD

for the year ended 31st March, 2019

Particulars	Rs.
Income	
Revenue from Operations	25,38,000
Other Income	<u>38,000</u>
Total Revenue	<u>25,76,000</u>
Expenses	
Cost of materials consumed	14,00,000
Other Expenses	<u>5,00,000</u>
Total Expenses	<u>19,00,000</u>
Tax	3,38,000

(6)
