

16U577

(Pages: 2)

Name:

Reg. No.....

FIFTH SEMESTER B.A./B.Sc./B.Com./B.B.A. DEGREE EXAMINATION, NOVEMBER 2018

(CUCBCSS-UG)

CC15U BC5 D03 - BASIC ACCOUNTING

(Commerce-Open Course)

(2015 Admission onwards)

Time: Two Hours

Maximum: 40 Marks

Part A

Answer *all* questions. Each question carries 1 mark.

Fill in the blanks:

1. The process of accounting starts with and ends with
2. The concept requires that accounting transactions should be free from bias of accountants and others.
3. Recording of transactions in the journal is called
4. Issued a cheque for Rs 8000 to pay rent. The account to be debited is

(4 x 1 = 4 Marks)

Part B

Answer any *five* questions. Each question carries 2 marks.

5. Name any five direct expenses.
6. Differentiate between Gross Profit and Net Profit.
7. What is the rule of debiting and crediting Assets Account?
8. What are prepaid expenses?
9. What is contra entry? Explain in brief.
10. Calculate the capital at the beginning if the drawings of a proprietor for the year 2003 are Rs 15000, profit for the year is Rs 25000 and capital at the end Rs 70000.
11. Divesh's Trial Balance as on March 31, 2002 contain the following information: 12% bank loan (taken on 30 Sept. 2001) 120000, Interest paid Rs. 5700. Calculate interest debited to profit and loss account.

(5 x 2 = 10 Marks)

Part C

Answer any *four* questions. Each question carries 4 marks.

12. What is the difference between Trial balance and balance sheet?
13. Name the various subsidiary books. What are its advantages?

(1)

Turn Over

14. Prepare Profit and Loss Account, from the following balances of Mr. Kandan for the year ended 31 December, 2016

Office rent	-	Rs. 30000	Salaries	-	Rs. 80000
Printing	-	Rs. 2000	Stationery	-	Rs. 3000
Insurance	-	Rs. 4000	Discount allowed		Rs. 6000
Advertisement-		Rs. 36000	Travelling expense		Rs. 26000
Gross Profit	-	Rs. 250000	Discount received		Rs. 4000

15. State which side the following heads of accounts appear in the trial balance. Also state the reason: Capital, Bank Overdraft, Sales, Discount allowed, Bad Debts, Furniture & Fittings, Bills Payable, Return Inwards, Interest Received, Repairs and maintenance.

16. Mr John receives Rs 100 on Jan 2007 from his main cashier to keep a petty cash book on imprest system. He makes the following payments:

2007 Jan 7	postage and stamp	36
11	Travelling expenses	18
14	Telegram to Cochin	10
20	Tea to customers	35
31	Paid taxi hire	15

(4 x 4 = 16 Marks)

Part D

Answer any *one* question. Each question carries 10 marks.

17. The following is the Trial balance of Prakash Chand on 31st December 2012

Debit balances:		Credit balances:	
Purchases	15000	Sales	32100
Debtors	20000	Purchase returns	500
Salaries	3000	Creditors	12000
Wages	2000	Capital	10000
Rent	1500	Bad debts provision	600
Sales return	1000	Depreciation provision	200
Bad Debts	700	Interest earned	400
Drawings	2400		
Printing and stationery	800		
Insurance	1200		
Opening Stock	5000		
Furniture repairs	1200		
Furniture and fittings	2000		
	<u>55800</u>		<u>55800</u>

Prepare trading profit and loss account and balance sheet after making the following adjustments:

- (a) Depreciate furniture by 10% on cost.
- (b) Closing stock was valued at Rs 6000.
- (c) Insurance is prepaid to the extent of Rs 200.
- (d) Provide Rs 800 for office expenses.
- (e) Make a provision for doubtful debts equal to 5% on debtors.

18. Briefly explain the basic principles of accounting.

(1 x 10 = 10 Marks)
