

TB145230A

Reg. No.....

Name:.....

B. COM. DEGREE (C.B.C.S.S.) EXAMINATION, OCTOBER 2016
SEMESTER V – OPEN COURSE(COMMERCE)
COM5FA(O) – FUNDAMENTALS OF ACCOUNTING

Time: Three Hours

Maximum Marks: 80

PART A

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

1. What is book keeping?
2. What is matching principle?
3. Who is a creditor?
4. What is an account?
5. Define ledger
6. What is a journal?
7. What is marshalling?
8. Define balance sheet
9. State the meaning of compound journal entry
10. What is a petty cash book?

(10x1=10)

PART B

II. Answer any eight questions. Each question carries 2 marks.

11. What is Dual Aspect principle?
12. Give any two advantages of double entry system
13. Explain capital and drawings
14. Distinguish between assets and liabilities
15. What is productive wages? What is the treatment of productive wages in final accounts?
16. Explain error of principle
17. What are closing entries?
18. State the meaning of financial statements
19. A running business is purchased by Mohan with the following assets and liabilities.
a)cash Rs 2000 b)furniture Rs 10,000 c)stock Rs 35,000 d)creditors Rs 5,000 and
e)debtors Rs 4000. Pass journal entry.
20. Give the specimen of a simple cash book
21. From the following information find closing stock a) gross profit Rs 5,000 b)
opening stock Rs 10,000
c) purchases Rs 1,00,000 d) sales Rs 90,000 e) sales returns Rs 5,000
22. Journalise the following transactions.

- a) Purchased goods from Mohan Rs 9,000
- b) Sold machinery for cash Rs 5,000

(8x2=16)

PART C

III . Answer any six questions. Each question carries 4 marks.

- 23. Distinguish between Profit and Loss Account and Balance sheet
- 24. Give the subdivisions of Journal
- 25. Distinguish between cash discount and trade discount
- 26. Explain the objectives of Accounting
- 27. Journalise the following transations.
 - a) Anil started business with cash Rs 80,000, stock Rs 90,000 and furniture Rs 20,000
 - b) Sold goods for cash Rs 50000
 - c) Sold goods on credit Rs 20,000
 - d) Withdrew for personal purpose Rs 2,000
- 28. Prepare a balance sheet from the following.

Capital ?	Furniture Rs
8,000	
Computers Rs 12,000	Cash Rs 6,000
Bills Receivable Rs 4,000	Bills Payable Rs 5,000
Reserves and Surpluses Rs 3,000	Bank Overdraft Rs 5,700
Creditors Rs 2,200	Mortgage Loan Rs 5,600
Outstanding expenses Rs 1,200	Outstanding Income Rs 1,500
	Prepaid Expenses 2,200
- 29. Prepare Trading and Profit and Loss Account for the year ended 31 March 2015

Bad debt Rs 1,000	Salaries Rs 8,000
Insurance Rs 1,300	Purchases Rs 1,50,000
Furniture Rs 5,400	
Depreciation Rs 4,600	
Debtors Rs 50,000	Closing Stock Rs 22,000
Sales Rs 2,10,000	Opening Stock Rs 15,000
Sales Returns Rs 5,000	
- 30. Explain Contra Entries
- 31. Pass opening journal entry with the following information
 Cash Rs 4,000 , Stock Rs 15,000 , Debtors Rs 16,000, Bank Overdraft Rs 12,000, Creditors Rs 5,000, Capital Rs 1,18,000, Building Rs 1,00,000

(6x4=24)

PART D

IV . Answer any two questions. Each question carries 15 marks.

- 32. What are the features of a Trial Balance? Explain the objectives of preparing a Trial Balance.

33. From the following transactions prepare Ledger Accounts and a Trial Balance as on 31 March 2016.

March 1.	Anoop started business with	Rs 50,000
‘	5. Purchased from Babu	Rs 45,000
„	10. Sold goods	Rs 50,000
„	12. Purchased furniture	Rs 4,000
„	15. Paid cash to Babu	Rs 40,000
„	24. Purchased goods for cash	Rs 20,000
„	25. Sold goods to Bindu	Rs 25,000
„	27. Rent paid	Rs 2,000

34. Prepare a cash book with cash bank and discount columns

March 1.	Balance of cash	Rs. 42,000
„	2. Balance of Bank	Rs 25,000
„	3. Purchased goods for cash	Rs 12,000
„	5. Paid into Bank	Rs. 6,000
“	12. Sales	Rs 25,000
“	19. Bought goods for Rs 20,000 and paid by cheque less 10% discount	
“	25. Received 4,800 from B in full settlement of his debt	Rs 5,000
“	26. Paid expenses	Rs 500.
„	31. Paid rent by cheque	Rs. 3,000

35. From the following balances prepare Final Accounts for the year ending 31-12-2015.

Capital	Rs 1,00,000	Cash in hand	Rs 1,200
Purchases	Rs 1,20,000	Bills Payable	Rs 23,000
Opening Stock	Rs 35,000	Debtors	Rs 50,000
Creditors	Rs 24,000		
Machinery	Rs 60,000		
Furniture	Rs 15,000	Sales	Rs 2,00,200
Bills Receivable	Rs 20,000	Rent	Rs 10,000
Wages	Rs 16,000	Salaries	Rs 20,000
		Closing stock	Rs 40,000

(2x15=30)