

FIFTH SEMESTER (CBCSS—UG) DEGREE EXAMINA
NOVEMBER 2024

B.Com.

BCM 5D 03—BASIC ACCOUNTING

(2019 Admission onwards)

Time: Two Hours

Max

Section A

Answer all questions.

Each question carries 2 marks.

Ceiling 20 marks.

1. What is meant by a Trial Balance ?
2. Define the term 'Asset'.
3. What is the purpose of a Cash Flow Statement ?
4. Explain the concept of Depreciation.
5. What is a Ledger Account ?
6. Describe the term 'Gross Profit'.
7. What is the significance of the Balance Sheet ?
8. What does the term 'Journal Entry' mean ?
9. What is a Nominal Account ?
10. Briefly explain the Accrual Basis of Accounting.
11. What do you mean by Long-Term Liability ?
12. Define the term 'Equity'.

(12 × 2 = 24, Ceiling)

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Section B

*Answer all questions.
Each question carries 5 marks.
Ceiling 30 marks.*

13. What is meant by the term 'posting'? How does it differ from journalizing?
14. From the following information, show the account of Deepak in the books of Riya:

| | |
|----------------|--|
| 2020 October 1 | : Opening (Credit) balance Rs. 1,200. |
| October 3 | : Purchased goods from Deepak Rs. 1,600. |
| October 8 | : Returned goods to Deepak Rs. 400. |
| October 15 | : Sold goods to Deepak worth Rs. 900. |
| October 22 | : Received goods returned by Deepak Rs. 300. |
| October 28 | : Paid cash Rs. 2,200 to Deepak : Discount allowed by him Rs. 200. |

15. Prepare a Single Column Cash Book from the following :

| | |
|--------------|--|
| 2023, July 1 | : Sneha commenced business with cash Rs. 22,000. |
| " 2 | : Opened a bank account with Rs. 6,000. |
| " 4 | : Purchased goods for cash Rs. 5,500. |
| " 7 | : Bought office supplies for Rs. 2,000. |
| " 10 | : Cash sales Rs. 4,000. |
| " 12 | : Paid for transportation Rs. 600. |
| " 15 | : Received cash from sales Rs. 1,800. |
| " 18 | : Received cheque for goods sold Rs. 1,500. |
| " 20 | : Paid electricity charges Rs. 230. |
| " 22 | : Paid rent Rs. 500. |
| " 25 | : Cheque received was deposited into bank Rs. 1,500. |
| " 28 | : Purchased goods Rs. 2,700. |
| " 30 | : Paid salary Rs. 1,800. |

16. From the following, prepare a Sales Return Book :
- 2023, January 5 : Y and Co. returned goods worth Rs. 500.
 " 8 : Returned goods by Sanjay which were expired Rs. 120.
 " 15 : Allowance granted to Tara for damaged packaging Rs. 300.
 " 30 : Vikram returned goods worth Rs. 400.
17. Briefly explain the importance of financial statements.
18. Calculate the amount of net profit from the following information :
- Opening stock—Rs. 20,000.
 Net Purchases—Rs. 3,00,000.
 Net Sales—Rs. 5,00,000.
 Direct Expenses—Rs. 30,000.
 Administration Expenses—Rs. 25,000.
 Selling and Distribution Expenses—Rs. 35,000.
 Closing Stock—Rs. 20,000.
19. Discuss the impact of accounting concepts and conventions on financial statement analysis.

(7 × 5 = 35, Ceiling 30 marks)

Section C

Answer any **one** question.

It carries 10 marks.

20. Define current assets and non-current assets. Provide examples for each category.
21. The following is the Trial Balance of Anjali as at 31-12-2023. Prepare final accounts:

| Particulars | Dr. (Rs.) | Cr. (Rs.) |
|-------------------------|-----------|-----------|
| Opening Stock | 15,000 | |
| Purchases | 1,00,000 | |
| Wages | 55,000 | |
| Salaries | 18,000 | |
| Printing and Stationery | 4,000 | |
| Carriage Inwards | 3,000 | |
| | | Turn over |

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| Particulars | Dr (Rs.) | Cr. (Rs.) |
|-----------------------|----------|-----------|
| Rent | 6,500 | |
| Insurance | 1,200 | |
| Machinery | 50,000 | |
| Buildings | 70,000 | |
| Sundry Debtors | 45,000 | |
| Furniture | 5,000 | |
| General Expenses | 2,800 | |
| Cash | 3,000 | |
| Bank | 7,000 | |
| Bills Receivable | 13,000 | |
| Sales | | 2,50,000 |
| Capital less Drawings | | 1,00,000 |
| Sundry Creditors | | 30,000 |
| Bills Payable | | 3,500 |
| Secured Loans | | 15,000 |
| Total | 3,98,500 | 3,98,500 |

Adjustments :

- Depreciate Machinery @ 10 % p.a.
- Make a provision for bad debts at 5 % on debtors.
- Salary outstanding Rs. 1,800.
- Rent paid in advance Rs. 400 and Insurance prepaid Rs. 200.
- Stock on 31.12.2023 is valued at Rs. 21,000.

(1 × 10 = 10 marks)

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