Reg. No. \_\_\_\_\_\_\_\_\_\_\_\_



**End Semester Examination – Nov / Dec – 2019**

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| **Code :** | **17BC2001** | **Duration :** | **3hrs** |
| **Sub. Name :** | **PRINCIPLES OF ACCOUNTANCY** | **Max. Marks :** | **100** |

**ANSWER ALL QUESTIONS (5 x 20 = 100 Marks)**

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| **Q. No.** | **Sub Div.** | **Questions** | **Course**  **Outcome** | **Marks** |
| 1. | a. | Define Accounting. Explain its importance to various users. | CO2 | 10 |
| b. | Describe the various branches of accounting. | CO2 | 10 |
| **(OR)** | | | | |
| 2. | a. | Discuss the need and importance of Indian Accounting standards. | CO2 | 10 |
| b. | Analyse the concepts of accoumting. | CO4 | 10 |
|  |  |  |  |  |
| 3. |  | Explain the objectives of preparing Trial balance. | CO2 | 20 |
| **(OR)** | | | | |
| 4 |  | Mr Santhosh commenced business on 1st January, 2018 with a capital of Rs.100,000 in cash. On the same date he opened the bank account in SBI and deposited 20,000. During the month of January 2018 the following transactions took place:  Jan 1 Bought goods for cash 70,000 2 Sold goods to Steve Co. (Credit) 38,000 15 Sold goods for cash 9,000 21 Steve Co. paid by cheque 35,000 22 Stationery bill paid by cheque 2,000 22 Telephone bill by cash 500 31 Paid rent by cash 2,000 31 Paid salaries by cash 3,000 31 Withdrew cash personal use 5,000  Required: Make journal entries for the transactions and post them to ledgers. | CO3 | 20 |
| 5 | a | Critically examine the single entry system of accounting. | CO4 | 10 |
| b. | Differentiate statement of affairs from balance sheet. | CO4 | 10 |
| **(OR)** | | | | |
| 6 |  | Charu do not keep proper books of accounts. Prepare the statement of profit or loss for the year ending 31-3-2017 from the following information:   |  |  |  | | --- | --- | --- | | **Particulars** | **1-4-2016** | **31-3-2017** | |  |  |  | | Cash in hand | 10,000 | 36,000 | | Debtors | 20,000 | 80,000 | | Creditors | 10,000 | 46,000 | | Bills Receivable | 20,000 | 24,000 | | Bills Payable | 4,000 | 42,000 | | Car | – | 80,000 | | Stock | 40,000 | 30,000 | | Furniture | 8,000 | 48,000 | | Investment | 40,000 | 50,000 | | Bank balance | 1,00,000 | 90,000 |   The following adjustments are to be made:  (i) Proprietor withdrew cash Rs.5,000 per month for private use. (ii) Depreciation @ 5% on Car and @ 10% on furniture. (iii) Outstanding Rent Rs. 6,000. (iv) Fresh Capital introduced during the year Rs. 30,000. | CO3 | 20 |
|  |  |  |  |  |
| 7. |  | Give journal entries to rectify the following errors:  **(i)**Purchase of goods from Mr. Raes amounting to Rs. 25,000 has been wrongly passed through the sales book.  **(ii)**Credit sale of goods Rs. 30,000 to Mr. Anees has been wrongly passed through the purchases book.  **(iii)**Sold old furniture for Rs. 3,500 passed through the sales book.  **(iv)**Paid wages for the construction of Building debited to wages account Rs. 100,000.  **(v)**The sales day book is undercast by Rs. 2,000.  **(vi)**Paid Rs. 10,000 for the installation of Machinery debited to wages account.  **(vii)**The purchases day book is undercast by Rs. 1,500. | CO3 | 20 |
| **(OR)** | | | | |
| 8. |  | From the following particulars of Mr. Vinod, prepare bank reconciliation statement as on March 31, 2005.  (i) Bank balance as per cash book Rs. 50,000.  (ii) Cheques issued but not presented for payment Rs. 6,000.  (iii) The bank had directly collected dividend of Rs. 8,000 and credited to bank account but was not entered in the cash book.  (iv) Bank charges of Rs. 400 were not entered in the cash book.  (v) A cheque for Rs. 6,000 was deposited but not collected by the bank. | CO4 | 20 |
|  | | **Compulsory:** |  |  |
| 9. |  | Coimbatore Ltd. acquired a machine for Rs 5,40,000 on 1st April 2018. Depreciation was to be charged at 20% per annum on straight line method.  On 1st October, 2018 a modification was made to improve its technical efficiency at a cost of Rs 50,000 which it considered would also extend the useful life of the machine by two years. At the same time, an important component of the machine was replaced at a cost of Rs 10,000 because of excessive wear and tear.  Routine maintenance during the accounting year ending 31st, March, 2019 cost Rs 7,500.  Show for the year ending 31st, March 2019:  (i) Machinery Account  (ii) Provision for depreciation account, and  (iii) Relevant portions of profit and loss account showing revenue charge relating to machinery. | CO3 | 20 |