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HRDHRC 205

**Credit Based III Semester B.A.(HRD) Examination, Oct./Nov. 2013
(New Syllabus Scheme) (2012-13 Batch and Onwards)
BASIC ACCOUNTING**

Time : 3 Hours

Max. Marks : 100

- Instructions :** 1) Provide working notes *wherever necessary*.
2) A single answer book containing **40 pages** will be **issued**.
No additional sheets will be issued.

SECTION – A

(15 marks each)

(15x3=45)

I. Answer the following questions :

- 1) Enter the following transactions in a three column cash book. 15

2013

- June 1 Commenced business with ₹ 30,000
" 3 Purchased goods by cheque ₹ 2,000
" 5 Paid into bank ₹ 5,000
" 8 Cash sales ₹ 600
" 10 Paid Rajan ₹ 570 by cheque and he allowed discount of ₹ 30
" 12 Drew for office use ₹ 400
" 14 Paid wages ₹ 300
" 15 Cash withdrawn for personal use ₹ 350
" 20 Purchased machinery for ₹ 5,000 and paid by cheque
" 22 Received from Raman ₹ 500
" 24 Received from Radhika by cheque ₹ 2,200 in full settlement of her account of ₹ 2,500
" 25 Deposited the above cheque into bank
" 27 Sold goods to Sanjana for cash ₹ 10,000 and deposited ₹ 6,000 into bank
" 28 Purchased goods from Radha ₹ 300

OR

P.T.O.



Enter the following transactions in proper subsidiary books.

2013

- June 1 Purchased goods from Dileep ₹ 2,000
 " 3 Sold goods to Sanjeev ₹ 800
 " 4 Bought goods from Ranjith ₹ 500
 " 6 Sold goods to Akeeb for cash ₹ 200
 " 7 Sanjeev returned goods ₹ 200
 " 8 Allowance claimed from Dileep for shortage ₹ 100
 " 10 Bought goods from Rahim ₹ 500
 " 11 Sold goods to Joyson ₹ 900
 " 14 Returned goods to Rahim ₹ 120
 " 15 Allowed Joyson for damaged goods ₹ 50
 " 18 Purchased furniture from XYZ Ltd. ₹ 2,000
 " 20 Sold goods to Shyam ₹ 1,500 less 10%
 " 24 Purchased goods from Manasa ₹ 1,200 packing and delivery ₹ 100
 " 25 Received goods returned by Shyam ₹ 50
 " 26 Returned goods to Manasa ₹ 150
 " 28 Sold goods to Ranjan ₹ 200
 " 29 Sold goods to Ajay ₹ 500 Delivery and cartage ₹ 50

2) From the following Trial Balance of M/S Ram and Sons on 31st Dec. 2012, prepare Trading and Profit and Loss Account for the year ended 31st December 2012 and Balance Sheet on that date.

Particulars	Debit (₹)	Credit (₹)
Machinery	4,000	-
Cash at bank	1,000	-
Cash in hand	500	-
Wages	1,000	-



Purchases	8,000	-
Capital	-	9,000
Sales	-	16,000
Stock on 1 st Jan. 2012	6,000	-
Sundry debtors	4,400	-
Sundry creditors	-	4,500
Interest received	-	300
Bills receivable	2,900	-
Rent	450	-
Commission	250	-
General expenses	800	-
Salaries	500	-
	29,800	29,800

Adjustments :

- a) Stock on 31st December 2012 ₹ 8,000
- b) Provide for interest on capital 5% p.a.
- c) Wages outstanding amounted to ₹ 100
- d) Rent prepaid ₹ 100
- e) Depreciate machinery by 10% p.a.

OR

Enter the following transactions in the books of Mr. Ramesh

2013

- Sep. 2 Commenced business with cash ₹ 50,000
- " 3 Purchased furniture from SM traders ₹ 2,500
- " 4 Sold goods to Kumar ₹ 400
- " 5 Bought goods from Sagar ₹ 350 for cash
- " 6 Received goods returned by Kumar ₹ 50
- " 7 Loss of goods by theft ₹ 250
- " 10 Gave charity ₹ 300



- " 13 Opened a current A/c with SBI bank ₹ 10,000
- " 14 Paid for travelling expenses ₹ 100
- " 16 Received ₹ 500 towards commission
- " 17 Paid rent to the landlord ₹ 700
- " 18 Bank collected interest on investment ₹ 250
- " 19 Commission due to Mr. Prajwal ₹ 150
- " 20 Received ₹ 400 from Mr. Ankith
- " 23 Borrowed loan from Mr. Apoorva ₹ 5,000
- " 26 Sold old furniture to SK Traders for ₹ 500

3) Explain the various accounting concepts.

OR

Explain the developments in Human Resource Accounting and problems of putting human resources on the Balance Sheet.

SECTION – B

(5 marks each)

(5×6=30)

II. Answer any six questions :

- 1) Explain in brief advantages of cash book.
- 2) Write a note on Final Accounts of a sole trader.
- 3) Write down the account of Gopal from the following and Balance the same

2013

- June 1 Sold goods to him ₹ 900
- " 5 Purchased from him ₹ 300
- " 8 Returned to him goods ₹ 100
- " 10 He returned goods ₹ 50
- " 20 Paid him cash ₹ 200
- " 25 Received from him cash ₹ 800



4) A Hindustan Ltd. Co. acquires a machine on 1st July 2009 at a cost of ₹ 2,80,000 and spent ₹ 20,000 on its installation. The firm writes off depreciation at 10% on the original cost every year. The books are closed on 31st December every year.

Prepare Machinery A/c from 2009-2011 for 3 years.

5) Enter the following transactions in the Sales Book 2013

Jan. 1 Sold to SM Traders, Bangalore.
100 bags of rice at ₹ 500 per bag
150 bags of rice at ₹ 220 per bag
100 bags of rice at ₹ 300 per bag

Jan. 15 Sold to TN Traders, Tumkur.
200 bags of rice at ₹ 420 per bag
50 bags or rice at ₹ 510 per bag

Jan. 30 Sold to GS Traders Mangalore
8 bags of wheat at ₹ 500 per bag
20 bags of sugar at ₹ 520 per bag
less trade discount at 10%

6) From the following balances of Ledger Accounts, prepare a Trial Balance.

	₹
Buildings	30,000
Machinery	8,500
Bad debt	1,400
Salaries	5,000
Cash in hand	200
Discount received	1,500
Bank overdraft	5,000
Purchases	50,000



Capital	36,800
Furniture	2,800
Sales	52,000
Debtors	30,000
Interest received	1,300
Purchases returns	6,300
Creditors	25,000

- 7) Differentiate between single entry system and double entry system of accounting.
- 8) What are the causes of depreciation ?

SECTION – C**(3 marks each)****(3×5=15)****III. Answer any five questions :**

- 1) What are accounting conventions ?
- 2) Write a note on accounting standards.
- 3) State the features of Trial Balance.
- 4) Classify the following into three kinds of accounts.
 - i) Machinery Account
 - ii) Prepaid Rent Account
 - iii) ABC Co. Ltd. Account
 - iv) Goodwill Account
 - v) Purchases Account
 - vi) Discount Account
- 5) On 1-1-2011, a company purchased a machine at a cost of ₹ 70,000. Its life was estimated to be 15 years, with a residual value of ₹ 8,500. Calculate the amount of depreciation to be provided at the end of each year.
- 6) If the total assets of the business is ₹ 8,20,000 and its capital is ₹ 5,40,000, calculate outside liabilities.
- 7) What are the steps in journalising ?



SECTION - D
(One mark each)

(1×10=10)

IV. Answer the following in **two** or **three** sentences.

- a) Define accounting.
 - b) What is invoice ?
 - c) What do you mean by Balance Sheet ?
 - d) What is meant by Dual aspect concept ?
 - e) What is ledger ?
 - f) Mention the different methods of preparing Trial Balance.
 - g) What are contra entries ?
 - h) What are drawings ?
 - i) What is Human Resource Accounting ?
 - j) Expand GAAP.
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