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HRDHRC 205

**Credit Based III Semester B.A. (HRD) Examination, Oct./Nov. 2014
(New Syllabus Scheme) (2012-13 Batch Onwards)
BASIC ACCOUNTING**

Time : 3 Hours

Max. Marks : 100

- Instructions :** 1) Answer *all* questions.
2) Show working notes *wherever* necessary.

SECTION – A

(15 marks each)

(15×3=45)

I. Answer the following questions :

- 1) Enter the following transactions in a three column Cash Book.

2014

- Jan. 1 : Commenced Business with ₹ 45,000
" 2 : Deposited into Bank ₹ 15,000
" 4 : Cash sales ₹ 2,000
" 6 : Bought furniture and paid by cheque ₹ 2,000
" 8 : Received interest ₹ 200
" 9 : Cash withdrawn for personal use ₹ 900
" 11 : Purchased goods from Sagar and paid by cheque ₹ 800
" 15 : Paid salary ₹ 1,000
" 17 : Received from Sanju ₹ 2,000 in full settlement of his account
₹ 2,200
" 18 : Paid Ravi by cheque ₹ 1,000 and he allowed discount of ₹ 50.
" 22 : Sold goods to Chirag ₹ 5,000 and out of which ₹ 2,000 deposited
into bank
" 27 : Drew for office use ₹ 1,200
" 30 : Bank charges ₹ 100

OR

P.T.O.



Enter the following transactions in proper subsidiary books.

2014

- July 1 : Bought goods from Ajay ₹ 1,500
 " 2 : Sold goods to Bhavya ₹ 1,800
 " 3 : Purchased goods from Akbar ₹ 1,100
 " 4 : Bhavya returned goods ₹ 75
 " 7 : Allowance claimed from Ajay for shortage ₹ 100
 " 8 : Sold goods to Dhanya ₹ 2,000, less 10%
 " 9 : Returned goods to Akbar ₹ 100.
 " 12 : Purchased goods from Manoj ₹ 1,200. Packing and delivery ₹ 100
 " 14 : Sold goods to Ramya ₹ 900
 " 17 : Allowed Ramya for damaged goods ₹ 100
 " 21 : Received goods returned by Dhanya ₹ 50
 " 28 : Purchased machine from SMF traders for ₹ 3,000
 " 30 : Purchased goods from Akeeb ₹ 1,500

- 2) From the following Trial Balance of Somanna on 31st December, 2013 prepare Trading and Profit and Loss Account for the year ended 31st December 2013 and Balance Sheet as on that date.

Particulars	Debit (₹)	Credit (₹)
Furniture	8,000	-
Capital	-	18,000
Purchases	16,000	-
Sales	-	32,000
Sundry Debtors	8,800	-
Sundry Creditors	-	9,000
Cash at Bank	2,000	-



Cash in Hand	1,000	-
Wages	2,000	-
Stock on 1 st Jan. 2013	12,000	-
Commission Received	-	600
Bills Receivable	5,800	-
Rent	900	-
Advertisement	500	-
General Expenses	1,600	-
Salaries	1,000	-
	59,600	59,600

Adjustments :

- a) Stock on 31st December 2013, ₹ 16,000
- b) Wages outstanding ₹ 200
- c) Prepaid rent ₹ 200
- d) Depreciate furniture by 10% p.a.
- e) Provide for interest on capital at 5% p.a.

OR

Enter the following transactions in the books of Dharmesh.

2014

- Mar.4 : Commenced business with cash ₹ 55,000
- " 3 : Sold goods to Charan ₹ 500
- " 6 : Bought goods from Kiran for cash ₹ 900
- " 7 : Purchased machinery from ABC Co. Ltd. ₹ 2,000
- " 10 : Purchased goods ₹ 500
- " 12 : Paid for stationery ₹ 200
- " 14 : Received commission ₹ 250
- " 18 : Paid rent to Ramesh ₹ 1,500
- " 19 : Sold old machinery to XYZ Co. Ltd. for ₹ 200



- " 22 : Received from Prakash ₹ 300
- " 25 : Paid for advertisement ₹ 350
- " 26 : Advanced loan to Mr. Raj ₹ 5,000
- " 27 : Gave charity ₹ 100
- " 28 : Bought goods from Rajesh ₹ 215
- " 29 : Withdrew cash for personal use ₹ 300

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

OR

Explain the various accounting concepts.

SECTION – B

(5 marks each)

(5×6)

II. Answer any six questions :

- 1) Write a note on final accounts of a sole trader.
- 2) What are the features of trial balance?
- 3) Explain in brief advantages of cash book.
- 4) Differentiate between single entry system and double entry system.
- 5) Prepare the personal account of Apoorva from the following and balance the same.

2014

- Feb. 1 : Purchased from him ₹ 600
- " 5 : Sold goods to him 1,800
- " 19 : Returned to him goods ₹ 200
- " 24 : He returned goods ₹ 100
- " 26 : Paid him cash ₹ 400
- " 28 : Received from him cash ₹ 1,600



6) A Brilliant Ltd. Co. acquires a machine on 1st July 2010 at a cost of ₹ 1,40,000 and spent ₹ 10,000 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 2010-2012 for 3 years.

7) Enter the following transactions in the sales book.

2014

- Mar. 1 : Sold to Aravind and Co. 10 bags of rice at ₹ 1,200 per bag
- " 20 : Sold to Bharath and Co. 18 bags of Sugar at ₹ 2,500 per bag
- " 22 : Sold to Charanadas and Co. 15 bags of wheat at ₹ 500 per bag
- " 24 : Sold to Dinesh and Co. 16 bags of groundnut at ₹ 1,000 per bag
- " 29 : Sold to Elegant and Co. 16 bags of wheat flour at ₹ 1,000 per bag
- less : discount 5%

8) Prepare the Trial Balance from the balances

	₹
Capital	28,000
Opening stock	4,000
Motor car	8,000
Discount received	400
Bad debt	400
Sales	40,000
Cash at bank	4,600
Return inwards	2,000
Rent	3,500
Discount allowed	1,800
Purchases	15,000
Plant	20,000



Wages	8,200
Creditors	6,500
Salaries	2,800
Commission received	600
Returns outwards	1,000
Debtors	5,600
General expenses	800
Interest received	200

SECTION - C

(3 marks each)

(3×5=15)

III. Answer **any five** questions :

- 1) What are the steps in Journalising ?
- 2) Explain the need for subsidiary books.
- 3) What are accounting conventions ?
- 4) Classify the following into three kinds of accounts
 - 1) Furniture A/c
 - 2) Patent right A/c
 - 3) Prepaid insurance A/c
 - 4) XYZ Co. Ltd. A/c
 - 5) Commission A/c
 - 6) Interest received A/c
- 5) If the total assets of the business is ₹ 9,00,000 and its capital is ₹ 6,10,000 calculate outside liabilities.
- 6) On 1-1-2012, Sunlight Ltd. Co. purchased a machinery at a cost of ₹ 90,000. Its life was estimated to be 9 years, with a scrap value of ₹ 900. Calculate the amount of depreciation to be provided at the end of each year.
- 7) State the causes of depreciation.



SECTION - D
(one mark each)

(1×10=10)

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

- a) What is Journal ?
 - b) Define accounting.
 - c) State the debit and credit rule of Nominal account.
 - d) Who is a debtor ?
 - e) What is Balance sheet ?
 - f) What is meant by separate entity concept ?
 - g) What is invoice ?
 - h) What are assets ?
 - i) Expand GAAP.
 - j) What are contra entries ?
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