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HRDHRC 205

**Credit Based III Semester B.A. (HRD) Degree
Examination, November/December 2015
(New Syllabus)
Common to all Batches
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 of Poorna.

2015

- Sept. 1 Started business with ₹ 50,000
" 2 Paid into bank ₹ 20,000
" 4 Purchased goods from Raju and paid by cheque ₹ 2,500
" 6 Drawings by cheque ₹ 1,500
" 8 Sold goods ₹ 3,000
" 10 Paid salary to manager by cheque ₹ 3,000
" 13 Received from Pragathi ₹ 1,000 in full settlement of her account ₹ 1,100
" 15 Withdrawn from bank for office use ₹ 500
" 18 Bank charges debited to the account by bank ₹ 60
" 20 Paid Ranchan by cheque ₹ 1,800 and he allowed discount of ₹ 100
" 22 Received from Kavya by cheque ₹ 2,000
" 24 Sold goods to Radha for cash ₹ 5,000 and deposited ₹ 2,000 into bank
" 26 Purchased furniture ₹ 2,000 and paid by cheque.

OR

P.T.O.



Enter the following transactions in proper subsidiary books of Mr. Raghav.

2015

- August. 1 Bought goods from Radha ₹ 3,000
 " 3 Sold goods to Raja ₹ 2,000
 " 4 Returned goods to Radha ₹ 50
 " 5 Purchased goods from Ravi ₹ 1,000
 " 6 Allowance granted to Raja ₹ 30
 " 7 Sold goods to Ranga ₹ 3,100
 " 8 Allowance claimed from Ravi ₹ 20
 " 10 Purchased goods from Ranjan ₹ 2,250
 " 12 Sold goods to Kavitha ₹ 2,000, less 5%
 " 14 Received goods returned by Ranjan ₹ 40
 " 17 Sold goods to Kampana ₹ 2,150, Delivery and cartage ₹ 50
 " 22 Allowed Kavitha for damaged goods ₹ 35
 " 25 Bought goods from Rahim ₹ 1,800
 " 26 Kampana returned goods ₹ 55
 " 31 Sold goods to Winston ₹ 1,850

- 2) From the following Trial Balance of Mr. Pruthvi on 31st Dec. 2014, prepare Trading and Profit and Loss Account for the year ended 31st Dec. 2014 and Balance Sheet on that date.

Particulars	Debit (₹)	Credit (₹)
Capital	—	60,000
Drawings	10,000	—
Bank Overdraft	—	8,400
Furniture and Fittings	5,200	—
Business Premises	40,000	—
Debtors	36,000	—
Creditors	—	26,000



Stock on 1/01/2014	44,000	-
Rent	-	2,000
Purchases	2,20,000	-
Sales	-	3,00,000
Returns	4,000	-
Discount	3,200	4,000
Insurance	4,000	-
General Expenses	8,000	-
Salaries	18,000	-
Commission	4,400	-
Carriage on Purchases	3,600	-
Reserve for Doubtful Debt	-	1,000
Bad debt	1,000	-
	4,01,400	4,01,400

Adjustments :

- 1) Stock on hand on 31-12-2014 ₹ 40,120
- 2) Depreciate business premises by ₹ 600 and furniture and fittings by 10%
- 3) Make a reserve for doubtful debts at 5% on debtors
- 4) Allow interest on capital at 5%
- 5) Prepaid insurance ₹ 1,400

OR

Journalise the following transactions in the books of Mrs. Palguni.

2015

- Aug. 1 Commenced business with cash ₹ 60,000 and furniture ₹ 10,000
" 4 Bought furniture from ABC Co. Ltd., ₹ 2,000
" 6 Purchased stationery ₹ 200
" 8 Bought goods from Pallavi for cash ₹ 3,500
" 10 Sold goods to Padma ₹ 1,800
" 14 Received Rent from Mahesh ₹ 1,800



- " 17 Sold furniture to Akul Traders ₹ 500
- " 19 Paid for Travelling Expenses ₹ 250
- " 21 Withdrew cash from business for personal use ₹ 1,950
- " 24 Borrowed loan from Suresh ₹ 5,000
- " 25 Bought goods ₹ 600
- " 26 Paid cash to Savi ₹ 2,280
- " 28 Cash Sales ₹ 3,200
- " 29 Loss of goods by fire ₹ 1,800
- " 31 Paid wages ₹ 550

3) Explain the different accounting concepts.

OR

Explain the developments in Human Resource Accounting and problems associated with putting human resources in the Balance Sheet.

SECTION – B

(5 marks each)

(5×6)

II. Answer **any six** questions :

- 1) Explain the features of accounting.
- 2) What are the features of trial balance ?
- 3) Explain in brief the advantages of cash book.
- 4) Explain the causes of charging depreciation.
- 5) Prepare the Personal Account of Nagesh in the books of Arya.

2015, Jan. 1 Credit balance b/d ₹ 2,600

- " " 6 Bought goods from Nagesh ₹ 750
- " " 11 Returned goods worth ₹ 260 to Nagesh
- " " 14 Sold goods to Nagesh ₹ 850
- " " 16 Received goods returned by Nagesh ₹ 145
- " " 30 Paid Nagesh ₹ 2,360
- " " " Discount allowed by him ₹ 125



6) Sunlight Ltd. purchases a machine on 1st Jan. 2010 at a cost of ₹ 3,00,000 and spent ₹ 15,000 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 2011-13 for 3 years.

7) Enter the following transactions in the Purchases Book.

2014

- June 1 Bought from SMK Traders Bengaluru
2 Colour Television sets at ₹ 30,000 per set
5 Washing Machines at ₹ 10,000 per machine
- " 15 Bought from Star Agencies Mumbai
5 Vaccum cleaners at ₹ 6,000 per cleaner
6 Refrigerators at ₹ 13,000 per refrigerator
- " 26 Bought from MSF agencies Mysore
100 Radios at ₹ 1,500 per radio

8) Prepare the Trial Balance from the ledger balances.

	₹
Capital	35,000
Machinery	19,500
Opening Stock	2,600
Purchases	8,950
Cash at Bank	7,300
Rent Paid	300
Sales	22,500
Motor Van	12,000
Returns Inwards	1,900



Trade expenses	1,000
Returns Outwards	970
Discount Received	350
Salary	2,270
Commission Paid	3,000

SECTION - C

(3 marks each)

(3x5=15)

III. Answer **any five** questions :

- 1) What are Accounting Standards ?
- 2) What are the steps in journalising ?
- 3) What are the objectives of Accounting ?
- 4) Classify the following into three kinds of accounts.
 - 1) Building A/c
 - 2) Goodwill A/c
 - 3) Outstanding Salary A/c
 - 4) NMK Traders A/c
 - 5) Rent A/c
 - 6) Commission A/c
- 5) On 1-01-2014, Clear Ltd, Co. bought a machinery costing ₹ 5,80,000. Its life was estimated to be 6 years with a scrap value of ₹ 10,000. Calculate the amount of depreciation to be provided at the end of each year.
- 6) If the total assets of the business is ₹ 10,00,000 and its capital is ₹ 4,90,000 calculate outside liabilities.
- 7) State the debit and credit rules for all kinds of accounts.



SECTION - D

(1 mark each)

(1×10=10)

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

- a) Define Accounting.
 - b) What are Drawings ?
 - c) What is going concern concept ?
 - d) What is ledger ?
 - e) What is Double Entry System ?
 - f) What are contra entries ?
 - g) What do you mean by Human Resource Accounting ?
 - h) What is Debit Note ?
 - i) What is Balance Sheet ?
 - j) Who is a debtor ?
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