

(FOR THE CANDIDATES ADMITTED

24UIB101

DURING THE ACADEMIC YEAR 2024 ONLY)

REG.NO.

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI
END-OF-SEMESTER EXAMINATIONS : NOVEMBER 2024

B.Com IB(SF)

MAXIMUM MARKS: 75

SEMESTER : I

TIME : 3 HOURS

PART - III

24UIB101- PRINCIPLES OF ACCOUNTANCY

SECTION – A

(10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS.

(K1)

1. The policy of anticipate no profit and provide for all possible losses arises due to_____
(a) Conservatism concept (b) Disclosure concept
(c) Materiality concept (d) Money measurement concept
2. Which of the following accounts have only credit balance?
(a) Discount account (b) Cash account
(c) Bills payable account (d) Bills receivable account
3. Trial Balance is _____
(a) A Revenue Statement (b) A Real Account
(c) Statement of Ledger Balances (d) Ledger A/c
4. Stock can be classified as _____
(a) Fixed assets (b) current assets (c) tangible assets (d) intangible assets
5. The objective of providing depreciation is _____
(a) To reduce tax burden (b) to calculate true profit
(c) to show true financial position in the balance sheet
(d) to provide funds for replacement of fixed assets

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES

(K2)

6. Define the term Accounting
7. What is Journal in accounting.
8. Define the term Posting
9. Discuss the depreciation of assets
10. What is Annuity method in depreciation.

SECTION – B

(5 X 5 = 25 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.

(K3)

11. a) Identify the objectives of accounting
(OR)
b) Explain the characteristics of accounting concepts and conventions

(CONT...2)

12. a) Prepare the journal entries in the books of Ms.Radha
 2023 October 1 Commenced business with Rs.50000
 3 Purchased goods for cash Rs.10000
 4 Paid carriage Rs.100
 8 Deposited into bank Rs.70000
 10 Purchased machinery for Rs.20000
 15 Credit sales Rs.150

(OR)

- b) Enter the following transactions in single column cash book
 2020 Jan 5 Started business with Rs.5000
 8 Paid Rent Rs.150
 10 Purchased office furniture Rs.750
 10 Bought goods for cash Rs.1500
 11 Sold goods for cash Rs.900
 11 Cash Sales Rs.100
 12 Received from Raju on account Rs.400
 13 Paid to Gopi on account Rs.200
 14 Cash withdrawn for own use Rs.150
 15 Sold goods for cash Rs.350

13. a) Redraw correctly the trial balance given below:

Particulars	Debit (Rs)	Particulars	Credit (Rs)
Capital	8000	Debtors	7580
Bad debts recovered	250	Bank deposit	2750
Creditors	1250	Discount allowed	40
Returns outward	350	Drawings	600
Bank Overdraft	1570	Returns inward	450
Rent	360	Sales	14690
Salaries	850	Bills Payable	1350
Postage	300		
Cash in hand	210		
Opening stock	2450		
Purchases	11870		
Total	27460	Total	27460

(OR)

- b) Record the following transactions in a Petty Cash Book with suitable columns. The book is kept on imprest system, amount of imprest being ₹ 4,000.

2022	Particulars
April 1	Petty cash in hand ₹ 540, Received cash to make-up the imprest. Paid for office cleaning ₹ 100.
April 4	Paid railway fare ₹ 320, bus fare ₹ 280, wages ₹ 150.
April 5	Bought shorthand note books for office ₹ 370.
April 7	Paid carriage on parcels ₹ 150, paid for wages ₹ 220.
April 10	Bought stamps for ₹ 300, envelopes for ₹ 450 and an accounts register for ₹ 400.
April 12	Paid for repairs ₹ 200, gave tips to office peon ₹ 150.

April 13	Gave charity ₹ 100, served tea to customers ₹ 250.
April 15	Paid for wages ₹ 160, rewards to servant ₹ 100.

14. a) From the following figures, You are required to prepare:
Provision for doubtful debts A/c; Bad debts A/c; Profit & Loss A/c

Date	Particulars	Amount
Jan 1 ,2000	Provision for Bad debts	Rs.2500
Dec 31, 2000	Bad debts	Rs.1870
Dec 31, 2000	Debtors	Rs.20000

Make provision for bad debts at 5% on debtors

(OR)

- b) Prepare Trading and Profit and Loss a/c for the period ending 31.12.2023

Particulars	Rs
Purchases	20000
Sales	100000
Opening Stock	10000
Salaries	6000
Wages	2000
Fuel	2000
Carriage inwards	1000
Carriage outwards	1500
Discount received	2000
Rent paid	3000
Interest paid	6000
Postage and Telegrams	700
Printing and stationery	200
Bad debts	2700

15. a) Distinguish between Straight line method and written down value method in depreciation

(OR)

b) Find out the rate of depreciation under straight line method. A machine was purchased for Rs.30000 on 1.1.2005. It is expected to last for 5 years. Estimated scrap value at the end of five years is Rs.5000.

SECTION – C

(5 X 8 = 40 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.(K4 (Or) K5)

16. a) Distinguish between Book keeping and Accounting

(OR)

b) Explain various accounting concepts briefly.

(CONTD 4)

17. a) Analyse Proper subsidiary books and post them to the ledger from the following transactions for the month of February 2011 Rs
- 1 Goods sold to Sachin 5,000
 4 Purchase from Kushal Traders 2,480
 6 Sold goods to Manish Traders 2,100
 7 Sachin returned goods 600
 8 Return to Kushal Traders 280
 10 Sold to Mukesh 3,300
 14 Purchased from Kunal Traders 5,200
 15 Furniture purchased from Tarun 3,200
 17 Bought from Naresh 4,060
 20 Return to Kunal Traders 200
 22 Return to inwards from Mukesh 250
 24 purchased goods from Kirit & Co for list price 5,700 less 10% trade discount
 25 Sold to Shri Chand goods 6,600 less 5% trade discount
 26 Sold to Ramesh Brothers 4,000
 28 Return outwards to Kirit & Co less % trade discount 1,000
 28 Ramesh Brothers returned goods 500 (OR)
- b) Enter the following transactions in the Cash Book with Cash and Bank Columns :-

2022	
April 1	Balance of Cash in hand ₹400, overdraft at Bank ₹5,000.
4	Invested further capital ₹10,000 out of which ₹6,000 deposited into the bank.
5	Sold goods for cash ₹3,000.
6	Received from Ghanshyam ₹8,000; discount allowed to him ₹200.
10	Purchased goods for Cash ₹5,500.
11	Paid to Ram Vilas, our creditor ₹2,500; discount allowed by him ₹65.
13	Commission paid to our agent ₹530.
14	Office furniture purchased from Keshav in cash ₹200.
14	Rent paid ₹50.
14	Electricity charges paid ₹10.
16	Drew cheque for personal use ₹850.
17	Cash sales ₹2,500.
18	Collection from Atul ₹4,000, deposited in the bank on 19th April.
19	Drew from the bank for office use ₹500.
24	Dividend received by cheque ₹50, deposited in the bank on the same day.
25	Commission received by cheque ₹230, deposited in the bank on 28th April.
29	Drew from the bank for salary of the office staff ₹1,500.
29	Paid salary of the manager by cheque ₹500.
30	Deposited cash in the bank ₹1,000

18. a) Explain the various errors not disclosed by trial balance
 (OR)

b) Prepare the ledger account of Ravi from the following transactions:

Date	Particulars
2000 April 1	Bought goods from Ravi Rs.60000 on credit
April 2	Paid him by cheque Rs.36000
April 5	Sold goods worth Rs.12000 on credit
April 7	Received from him Rs.4000
April 12	He returned defective goods costing Rs1000
April 16	Purchased from him two sets of articles worth Rs.5000 and Rs.4000 and paid cash immediately
April 21	Paid to Ravi Rs.6000

19. a) Briefly explain the purpose of preparation of final accounts

(OR)

b) The following balances were extracted from the books of Thomas as on 31st March, 2024

Particulars	Rs	Particulars	Rs
Stock (1.4.2024)	55000	Discount received	1200
Purchases	192500	Sales	293500
Wages	12500	Bills payable	18500
Carriage inwards	4000	Sundry creditors	93250
Insurance	3500	Capital	193500
Bills receivable	22500		
Sundry debtors	150000		
Commission	4000		
Interest	3500		
Trade expenses	3450		
Furniture	6000		
Cash in hand	42250		
Rent and Rates	12750		
Office expenses	8000		
Buildings	20000		
Plant and Machinery	60000		
Total	599950	Total	599950

Additional information:

- i. Closing stock Rs. 50000
- ii. Provide depreciation @ 10% on machinery, Building 2.5%
- iii. Outstanding expenses – Rent Rs.200; Office expenses Rs.400
- iv. Prepaid insurance Rs.100
- v. Provide Rs.600 for doubtful debts

Calculate trading account, profit and loss account and balance sheet.

20. a) Explain the meaning and cause of depreciation

(OR)

b) On 1.1.96 Machinery was purchased by X for Rs.100000. On 1.7.97 additions were made to extent of Rs.20000. On 1.4.98 further additions were made to the extent of Rs.12800. On 30.6.99, machinery the original value of which was Rs.16000 on 1.1.96 was sold for Rs.12000. X closes his books on 31st December each year. Show the Machinery Account for four years from 1996 to 1999 in the books of X if depreciation is charged at 10% on diminishing balance method. Evaluate it.