

**FIFTH SEMESTER B.Com. DEGREE EXAMINATION, NOVEMBER 2018**

(CUCBCSS-UG)

Open Course

BCM 5D 03—BASIC ACCOUNTING

Time : Two Hours

Maximum : 40 Marks

**Part A**

*Answer all questions.  
Each question carries 1 mark.*

Fill in the blanks :

1. One who owes money to the business is called \_\_\_\_\_.
2. The statement sent by the seller to the buyer on getting the goods returned is \_\_\_\_\_.
3. \_\_\_\_\_ book is usually kept under imprest system.
4. Goods drawn by the proprietor is debited in \_\_\_\_\_ account.

(4 × 1 = 4 marks)

**Part B (Short Answer Questions)**

*Answer any five questions.  
Each question carries 2 marks.*

5. What is business entity concept ?
6. What is trial balance ?
7. What is Contra entry ?
8. What is deferred revenue expenditure ?
9. Dheeru owes an amount of Rs. 3,000 to Bichu. Dheeru makes the payment promptly and Bichu allows a reduction of Rs. 100. Write the entry in the books of Dheeru and Bichu.
10. Find out gross profit :

Opening stock	20,000
Purchase	25,000
Sales	35,000
Direct expenses	5,000
Closing stock	30,000

**Turn over**

11. Record the following transactions in the purchase journal of Midhun agencies 2016 :—

April 1 Purchased from Neerav Agencies

50 Tube lights @ 60

20 CFL lights @ 80

10 Usha fans @1200

April 2 Purchased from Jyothi agencies

100 Water pumps @ 2000

50 Electric stoves @ 1500

(5 × 2 = 10 marks)

### Part C (Short Essay Questions)

*Answer any four questions.  
Each question carries 4 marks.*

12. Distinguish between trial balance and balance sheet.

13. Explain any four accounting assumptions.

14. Rectify the following errors :

(a) Purchase of Rs. 500 worth of goods from Mohan is omitted to record in day book.

(b) Rs. 1,000 received from Rahul has been credited in the account of Rahim.

(c) Carriage paid on purchase of furniture Rs. 500 is debited in carriage account.

(d) Goods sold to Midhun for Rs. 1,500 has been wrongly recorded in purchase day book.

15. The cash book of Dileep showed a debit balance of Rs. 4,900 on may 31,2012. On comparing the cash book with pass book, the following were found :—

(i) Cheques deposited into bank for collection, but collected till date 720.

(ii) Cheques issued, but not paid by bank 650.

(iii) Direct payment by a customer to the bank not recorded in cash book 520.

(iv) Interest on deposit credited in pass book 310.

(v) Discounted bill dishonoured, entered only in the pass book 400.

(vi) Bank charges debited in pass book 75.

16. Write journal entries for the following transactions :

(i) Jithesh started business with cash Rs. 4,000, furniture 2,000 and stock of goods 8,000.

(ii) Purchased goods from Siju Rs. 5,000 at a trade discount of 10 %.

(iii) Sold goods to Bineesh Rs. 6,000 at a trade discount of 5 %.

(iv) Sold goods for cash Rs. 9,000.

(v) Purchased goods for cash Rs. 6,000.

(vi) Paid to Siju Rs. 2,000 ; discount allowed by him Rs. 200.

(4 × 4 = 16 marks)

**Part D (Essay Questions)**

*Answer any one question.  
The question carries 10 marks.*

17. The following is the trial balance of Bright Moon as on 31<sup>st</sup> December, 2016 :—

<i>Particulars</i>	<i>Debit Rs.</i>	<i>Credit Rs.</i>
Capital		47,500
Stock	9,000	
Premises	12,000	
Purchases	28,000	
Sales		42,000
Purchase return		550
Sales return	450	
Wages	1,000	
Carriage inwards	450	
Salaries	700	
Bills receivable	9,500	
General expenses	500	
Discount	400	
Drawings	800	
Sundry Debtors	5,150	
Cash at bank	16,690	
Insurance	360	
Commission		300
Bills payable		7,500
Creditors		2,150
Furniture	2,000	
Plant and Machinery	13,000	
	1,00,000	1,00,000

**Turn over**

Additional information :

- (i) Stock in hand on 31<sup>st</sup> December 2016, Rs. 11,500.
- (ii) Wages outstanding Rs. 200.
- (iii) Salary Outstanding Rs. 300.
- (iv) Rent due Rs. 4,000.

Prepare trading and profit loss account for the year ending 31<sup>st</sup> December 2016 and a balance sheet as on that date.

18. Record the following transactions in a three column cash book :—

2015		Rs.
May 1	Opening balance : Cash	1,800
	Bank	3,000
3	Paid rent by cheque	700
5	Cash sales	3,500
7	Cash purchase	2,900
9	Paid into bank	1,500
13	Received from Sakthi Rs. 3,800 and allowed him a discount Rs. 200	
18	Paid to Rajeev Rs. 1,300 and earned a discount of Rs. 100	
21	Withdrew from bank	800
27	Purchased typewriter	2,800
30	Paid into bank	700
31	Paid salaries by cheque	800

(1 × 10 = 10 marks)