

Q.P. Code : 34161

**First Semester B.Com.(A & F) Degree Examination,
November/December 2019**

(CBCS – New Scheme)

Commerce

Paper 1.3 – PRINCIPLES OF ACCOUNTING

Time : 3 Hours]

[Max. Marks : 70

Instructions to Candidates : Answers should be completely in English.

SECTION – A

Answer any **FIVE** questions. Each question carries **2** marks : **(5 × 2 = 10)**

1. (a) What are Accounting Standards?
- (b) Write any two objectives of accounting.
- (c) Write two differences between Journal and Ledger.
- (d) Name any two methods of calculating depreciation.
- (e) What is a Debit Note?
- (f) What is Account Current?
- (g) What is short working?



SECTION – B

Answer any **THREE** questions. Each question carries **5** marks : **(3 × 5 = 15)**

2. Explain four Accounting Conventions.
3. Rectify the following errors by passing Journal Entries :
 - (a) Salary of ₹ 20,000 paid to John has been debited to his personal account
 - (b) Purchases book is under cast by ₹ 1,000
 - (c) Commission of ₹ 121 received was posted to commission account twice
 - (d) A purchase of goods of ₹ 351 from Umesh was posted to his account as ₹ 531
 - (e) Rent of ₹ 175 paid for the month of December was posted as ₹ 75.

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4. The following is a summary of the receipts and issues of materials in a factory during the month of April :

Date	Particulars	Quantity	Rate per unit (₹)
1	Received	2,000	10
5	Received	300	12
8	Issued	1,200	—
10	Received	200	14
12	Issued	1,000	—
23	Received	3,000	11
31	Issued	200	—

Prepare a statement showing the pricing of issues on the basis of FIFO method.

5. Harish has the following bills due on different dates. It was agreed to settle the total amount due by a single cheque payment. Find the due date of the cheque.

Bill Amount (₹)	Due Date
5,000	05.03.2009
7,000	07.04.2009
6,000	17.07.2009
8,000	14.09.2009

SECTION - C

Answer any **THREE** questions. Each question carries **15** marks : (3 × 15 = 45)

6. Journalise the following transaction and post them into ledger in the books of Hanuman :

January
2019

- 01 Commenced business with cash Rs. 1,00,000
04 Paid into Bank Rs. 25,000
07 Goods purchased from Manohar for Rs. 28,000 and paid Rs. 10,000
10 Sold goods for cash Rs. 30,000
15 Bought goods worth Rs. 15,000 from Manohar at a trade discount of 10%
27 Paid to Manohar Rs. 10,000 by cheque
31 Received loan from Bank ₹ 10,000.

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7. From the following trial balance of Shri Narendra, prepare his Trading and Profit and Loss Account for the year ended 31.04.2018 and a balance sheet as on that date :

Trial Balance as on 31.04.2018

Sl. No.	Name of Account	L.F.	Debit ₹	Credit ₹
1	Opening Stock		36,000	
2	Purchases and Sales		2,04,000	3,26,000
3	Drawings and Capital		24,000	1,25,000
4	Carriage inwards		3,000	
5	Carriage outwards		5,000	
6	Bills receivable and bills payable		18,000	20,000
7	Investments		10,000	
8	Salaries		38,000	
9	Wages		33,000	
10	Sundry debtors and creditors		40,000	50,000
11	Buildings		50,000	
12	Insurance and taxes		8,000	
13	Commission			50,000
14	Returns		6,000	4,000
15	Plant and machinery		60,000	
16	Furniture		16,000	
17	Cash in hand		1,000	
18	Bank overdraft			20,000
19	Discount received			2,000
	Total		<u>5,52,000</u>	<u>5,52,000</u>

Adjustments :

- (a) Closing stock valued at ₹ 52,000
- (b) Outstanding Interest on bank overdraft ₹ 1,000 and Outstanding salary ₹ 2,000
- (c) Commission received but not earned ₹ 500
- (d) Appreciate building at 10%
- (e) Depreciate plant and machinery at 10%
- (f) Provide discount on debtors and creditors at 5%.

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