

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)
BCom DEGREE EXAMINATION DECEMBER 2018
(First Semester)

Branch - **COMMERCE (COST & MANAGEMENT ACCOUNTING)**

FUNDAMENTALS OF ACCOUNTING

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (10 x 1 = 10)

- 1 The basic objective of accounting is -
 - (i) to maintain systematic records of financial transactions
 - (ii) to ascertain financial performance
 - (iii) to ascertain financial position
 - (iv) all of the above
- 2 Capital account is - .
 - (i) Personal a/c (ii) Real a/c (iii) Nominal a/c (iv) None of the above
- 3 Goodwill is - .
 - (i) Current asset (ii) Fictitious asset (iii) Tangible asset (iv) Intangible asset
- 4 Profit and loss account is prepared to ascertain - .
 - (i) Operating Profit (ii) Net Profit (iii) Gross Profit (iv) Cost of goods manufactured
- 5 Error of Principle do not allow - .
 - (i) Correct totalling of the Balance Sheet
 - (ii) Correct totalling of the Trial Balance
 - (iii) Trial Balance to agree
 - (iv) None of these
- 6 Single Entry System can be adopted by - .
 - (i) Small firms (ii) Joint Stock Companies
 - (iii) Co-operative Societies (iv) None of these
- 7 Depreciation is provided on - .
 - (i) Current Asset (ii) Investments (iii) Fixed Asset (iv) Intangible asset
- 8 For depreciating leases, the suitable method is - .
 - (i) Straight line (ii) Written down (iii) Annuity (iv) Sinking Fund
- 9 Bank Reconciliation Statement is prepared by - .
 - (i) Bank (ii) Customer of Bank (iii) Creditor of a business (iv) Debtor of a business
- 10 Subscription received in advance is - .
 - (i) an income (ii) an asset (iii) a liability (iv) an expenditure

SECTION - B (35 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 7 = 35)

11 a Briefly explain any five accounting concept.

OR

11 b Enter the following transactions in the books of Panner Selvam:

2018 Jan. 1 Started business with cash Rs.25,000.

2 Deposited into bank Rs.23,500.

3 Purchased furniture by issuing cheque Rs.2,000.