

PSG COLLEGE OF ARTS & SCIENCE

(AUTONOMOUS)

BA / BSc DEGREE EXAMINATION DECEMBER 2024

(First Semester)

Common to Branches - ECONOMICS/ MATHEMATICS/
MATHEMATICS WITH COMPUTER APPLICATIONSACCOUNTANCY – I

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	Each transactions is first entered in the -----. a) Ledger b) Journal c) Trial Balance d) Balance sheet	K1	CO1
	2	Normally single entry system is suitable for-----. a) Large scale business b) Small Scale Business c) Services d) Both Large & small scale business	K2	CO2
2	3	Cash receipts and cash payments are recorded in -----. a) sales book b) cash book c) journal proper d) petty cash book	K1	CO1
	4	Cash Book is a -----. a) Book of Original Entry b) a part of Ledger c) Both (a) and (b) d) a part of Journal	K2	CO2
	5	The main purpose of preparing a bank reconciliation statement is --- -----. a) To know the bank balance b) To know the balance of bank statement c) To correct the cash book d) To identify causes of difference between cash book and bank statement	K2	CO2
3	6	Casting errors are the results of -----. a) Ignoring total of an account b) Wrong totaling c) Wrong balancing d) Omission of entry	K1	CO2
4	7	Balance sheet is a statement of ----- a) Financial Position b) Profit c) Liabilities d) All of these	K1	CO1
	8	Goodwill is an -----. a) a current asset b) an intangible asset c) a tangible asset d) a fictitious asset	K2	CO2
5	9	What are the parties to a bill of exchange? a) Drawee, Drawer, Payee b) Drawee, Drawer, Debtor c) Payer, Drawee, Drawer d) Drawee, Drawer, Creditor	K1	CO1
	10	The grace days for a bill is -----. a) 1 day b) 2 days c) 3 days d) 4 days	K2	CO2

SECTION - B (35 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks

(5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO																		
1	11.a.	Journalise the following transactions and show the necessary ledger accounts.	K3	CO4																		
		<table><tr><th>Date</th><th>Details</th><th>Rs.</th></tr><tr><td>1.6.23</td><td>Ram started business with a capital</td><td>10,000</td></tr><tr><td>5.6.23</td><td>He purchased furniture for cash</td><td>4,000</td></tr><tr><td>7.6.23</td><td>He purchased goods from Mohan on credit</td><td>2,000</td></tr><tr><td>13.6.23</td><td>He paid cash to Mohan</td><td>1,000</td></tr><tr><td>30.6.23</td><td>Paid salary</td><td>1000</td></tr></table>			Date	Details	Rs.	1.6.23	Ram started business with a capital	10,000	5.6.23	He purchased furniture for cash	4,000	7.6.23	He purchased goods from Mohan on credit	2,000	13.6.23	He paid cash to Mohan	1,000	30.6.23	Paid salary	1000
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		7.6.23			He purchased goods from Mohan on credit	2,000																
		13.6.23			He paid cash to Mohan	1,000																
	30.6.23	Paid salary	1000																			
(OR)																						

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	11.b.	Prepare Trial balance from the following					
		Details		Rs.	Details		Rs.
		Capital		9,000	Rent Outstanding		1,000
		Plant & Machinery		12,000	Opening Stock		2,000
		Purchases		8,000	Sales returns		4,000
		Sales		12,000	Sundry debtors		12,000
		Sundry creditors		8,000	Cash		10,000
		Bank loan		22,000	Bank		4,000
2	12.a.	Subsidiary Books – Purchases Book Record the following transactions for the month of January 2016 in the Purchases Book of M/s. Narain Electronics: Jan. 4 Purchased from M/s. Brown Electronics: 20 Black & White T.V.s @ Rs. 5,200 per piece 10 Colour T.V.s @ Rs. 12,000 per piece Trade discount on all items @ 12% Jan. 10 Purchased from M/s. Mani Electronics: 12 Video tapes @ Rs. 600 per piece 8 Philips tape recorders @ Rs. 2,500 per piece Jan. 19 Purchased from M/s. Sehgal Electronics: 10 LG Stereos @ Rs. 3,500 per piece 8 LG Colour T.V.s @ Rs. 25,000 per piece Trade discount @ 15%. Jan. 24 Purchased from M/s. Gupta Electronics: 200 Audio Cassettes @ Rs. 25 per piece 30 Equity toasters @ Rs. 500 per piece <i>Prepare Purchase Book and post the above transactions into ledger accounts.</i>				K4	CO5
		(OR)					
		Subsidiary Books –Purchase Returns Book and Sales Returns Book Prepare Purchase Returns Book and Sales Returns Book from the following data: 2016 Aug. 1 Purchased goods returned to SenthilRs. 205 3 Received goods returned by Natarajan Rs. 300 5 Goods returned to Kannan Rs. 500 7 Sales returns of Rs. 1,260 by Mathavan 15 Returned defective goods to RajanRs. 1,280 18 Damaged goods returned by MuraliRs. 1,120 23 Outward returns to KanagasabaiRs. 275 29 Inward returns by SwaminathanRs. 750 30 Returned inferior goods to SankarRs. 890 31 Selvan returned goods to us Rs. 1,330					
3	13.a.	Bank overdraft of Rajini on 31.12.2019 as per cash book is Rs. 9,000. From the following particulars, show Bank Reconciliation Statement. Unpresented cheque Rs. 3,000 Uncleared cheque Rs. 1,700 Bank interest debited in the passbook only Rs. 500 Bills collected and credited in the passbook only Rs. 800 Cheque of Renu dishonoured Rs. 500 Cheques issued to Sekar entered in the cash column of cash book Rs. 300				K2	CO3
		(OR)					
		Rectify the following error: i. Sales to Srither Rs.152, posted to his account as Rs.125 ii. Purchased goods from Manohar Rs. 550, credited as Rs.505 iii. Received bills receivable from Seenu Rs.1000, posted as Rs.100 iv. Purchased furniture from Raghu Rs.404 on credit debited as Rs.440 v. Discount allowed as Rs.64 to Anbu credited to his account as Rs.46 vi. Discount received Rs.37 from Babu posted to his account Rs.39 vii. Purchased furniture on cash for Rs.2,000 was not posted					

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4	14.a.	Distinguish between Trading account and Profit and Loss account.				K3	CO4																								
	(OR)																														
4	14.b.	From the following balances obtained from the accounts of Mr. Ram, Prepare the Trading and Profit & Loss Account: Closing stock on March 31, 2023, is Rs. 4,500.				K3	CO4																								
		<table><tr><td>Particulars</td><td>Rs.</td><td>Particulars</td><td>Rs.</td></tr><tr><td>Stock on April 01, 2022</td><td>8,000</td><td>Bad debts</td><td>1,200</td></tr><tr><td>Purchases for the year</td><td>22,000</td><td>Rent</td><td>1,200</td></tr><tr><td>Sales for the year</td><td>42,000</td><td>Discount (Dr.)</td><td>600</td></tr><tr><td>Wages</td><td>2,500</td><td>Commission paid</td><td>1,100</td></tr><tr><td>Salaries & Wages</td><td>3,500</td><td>Sales Expenses</td><td>600</td></tr><tr><td>Advertisement</td><td>1,000</td><td>Repairs</td><td>600</td></tr></table>	Particulars	Rs.	Particulars			Rs.	Stock on April 01, 2022	8,000	Bad debts	1,200	Purchases for the year	22,000	Rent	1,200	Sales for the year	42,000	Discount (Dr.)	600	Wages	2,500	Commission paid	1,100	Salaries & Wages	3,500	Sales Expenses	600	Advertisement	1,000	Repairs
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5	15.a.	State the Features of Bill of Exchange.				K5	CO6																								
	(OR)																														
5	15.b.	Ramesh draw upon Vinoth several bills of exchange due for payment on different dates as under:				K5	CO6																								
		<table><tr><td>Date of the Bill</td><td>Amount (Rs.)</td><td>Tenure of the Bill</td></tr><tr><td>1.6.2020</td><td>1,200</td><td>3 Months</td></tr><tr><td>19.6.2020</td><td>1,600</td><td>2 Months</td></tr><tr><td>10.7.2020</td><td>2,000</td><td>3 Months</td></tr><tr><td>27.7.2020</td><td>1,500</td><td>3 Months</td></tr><tr><td>7.8.2020</td><td>1,800</td><td>1 Months</td></tr><tr><td>15.8.2020</td><td>2,400</td><td>2 Months</td></tr></table>	Date of the Bill	Amount (Rs.)	Tenure of the Bill			1.6.2020	1,200	3 Months	19.6.2020	1,600	2 Months	10.7.2020	2,000	3 Months	27.7.2020	1,500	3 Months	7.8.2020	1,800	1 Months	15.8.2020	2,400	2 Months						
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7.8.2020	1,800	1 Months																													
15.8.2020	2,400	2 Months																													
		Find out Average due date on which payment may be made in one single amount.																													

SECTION -C (30 Marks)

Answer ANY THREE questions

ALL questions carry EQUAL Marks

(3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO																																																				
1	16	The following balances are extracted from the ledger of Sun Moon Ltd., on 31 st March 2020. You are required to prepare a trial balance as on that date in proper form.	K5	CO6																																																				
		<table><tr><th>Particulars</th><th>Rs.</th><th>Particulars</th><th>Rs.</th></tr><tr><td>Drawings</td><td>6,000</td><td>Salaries</td><td>9,500</td></tr><tr><td>Capital</td><td>24,000</td><td>Sales return</td><td>1,000</td></tr><tr><td>Creditors</td><td>43,000</td><td>Purchase returns</td><td>1,100</td></tr><tr><td>Bills payable</td><td>4,000</td><td>Travelling expenses</td><td>4,600</td></tr><tr><td>Debtors</td><td>50,000</td><td>Commission paid</td><td>100</td></tr><tr><td>Bills receivable</td><td>5,200</td><td>Trading expenses</td><td>2,500</td></tr><tr><td>Loan from Karthick</td><td>10,000</td><td>Discount earned</td><td>4,000</td></tr><tr><td>Furniture and fixtures</td><td>4,500</td><td>Rent</td><td>2,000</td></tr><tr><td>Opening stock</td><td>47,000</td><td>Bank overdraft</td><td>6,000</td></tr><tr><td>Cash in hand</td><td>900</td><td>Purchases</td><td>70,800</td></tr><tr><td>Cash at bank</td><td>12,500</td><td>Sales</td><td>1,28,000</td></tr><tr><td>Tax</td><td>3,500</td><td></td><td></td></tr></table>			Particulars	Rs.	Particulars	Rs.	Drawings	6,000	Salaries	9,500	Capital	24,000	Sales return	1,000	Creditors	43,000	Purchase returns	1,100	Bills payable	4,000	Travelling expenses	4,600	Debtors	50,000	Commission paid	100	Bills receivable	5,200	Trading expenses	2,500	Loan from Karthick	10,000	Discount earned	4,000	Furniture and fixtures	4,500	Rent	2,000	Opening stock	47,000	Bank overdraft	6,000	Cash in hand	900	Purchases	70,800	Cash at bank	12,500	Sales	1,28,000	Tax	3,500		
		Particulars			Rs.	Particulars	Rs.																																																	
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2	17	Prepare a Double Column Cash Book from the following transactions of Mr.Gopalan: 2004 Jan. 1 Cash in hand 4,000 6 Cash Purchases 2,000 10 Wages paid 40 11 Cash Sales 6,000 12 Cash received from Suresh and 1,980 allowed him discount 20 19 Cash paid to Meena 2,470 and discount received 30 27 Cash paid to Radha 400 28 Purchased goods for cash 2,070	K4	CO5																																																				

3	18	From the following particulars ascertain the bank balance as per bank pass book of Mr.Ram as on 31.12.2023. a) Bank overdraft as per cash book on 31.12.23 – Rs.6,000 b) Interest on overdraft for six months ending 31.12.23 Rs.200 is debited in the pass book. c) Cheques issued but not cashed before 31.12.23 amounted to Rs.1500 d) Cheques deposited into bank but not cleared and credited before 31.12.23 amounted to Rs.2500. e) Interest on investments collected by bank and credited in bank pass book amounted to Rs.1,800 f) Bills receivable which was discounted with the bank in November 2023, was dishonoured on 31.12.23 and bank had debited Rs.1,050 including Rs.50 for bank charges. g) The Bank Column of cash book receipts side was over cast by Rs.1,000 in December 2023. h) Bank had wrongly debited Mr.Ram fo Rs.500 on 10.12.23, on account of dishonour of cheque pertaining to Mr.Gobal but rectified the said mistake on 30.12.23.	K3	CO4																																																				
4	19	The following Trial Balance has been extracted from the books of M/s. MSD & Sons on 31st December, 2022. <table><thead><tr><th>Particulars</th><th>Debit Rs.</th><th>Particulars</th><th>Credit Rs.</th></tr></thead><tbody><tr><td>Machinery</td><td>4,000</td><td>Capital</td><td>9,000</td></tr><tr><td>Cash at Bank</td><td>1,000</td><td>Sales</td><td>16,000</td></tr><tr><td>Cash in Hand</td><td>500</td><td>Sundry Creditors</td><td>4,500</td></tr><tr><td>Wages</td><td>1,000</td><td>Interest Received</td><td>300</td></tr><tr><td>Purchases</td><td>8,000</td><td></td><td></td></tr><tr><td>Stock on 1st January, 2022</td><td>6,000</td><td></td><td></td></tr><tr><td>Sundry Debtors</td><td>4,400</td><td></td><td></td></tr><tr><td>Bills Receivable</td><td>2,900</td><td></td><td></td></tr><tr><td>Rent</td><td>450</td><td></td><td></td></tr><tr><td>Commission</td><td>250</td><td></td><td></td></tr><tr><td>General Expenses</td><td>800</td><td></td><td></td></tr><tr><td>Salaries</td><td>500</td><td></td><td></td></tr></tbody></table> Additional Information: (i) Provide for Interest on Capital at 5% per annum. (ii) Depreciate Machinery at 10%. (iii) Wages Outstanding Rs. 50. Rent Prepaid Rs. 100. (iv) Stock on 31st December, 2022 amounts to Rs. 8,000. Prepare Trading and Profit and Loss Account for the year ending 31st December, 2022 and Balance Sheet as on the last date of the year.	Particulars	Debit Rs.	Particulars	Credit Rs.	Machinery	4,000	Capital	9,000	Cash at Bank	1,000	Sales	16,000	Cash in Hand	500	Sundry Creditors	4,500	Wages	1,000	Interest Received	300	Purchases	8,000			Stock on 1 st January, 2022	6,000			Sundry Debtors	4,400			Bills Receivable	2,900			Rent	450			Commission	250			General Expenses	800			Salaries	500			K5	CO6
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Salaries	500																																																							
5	20	Mala purchased goods for Rs.3,000 from kala on 1-4-2019.Mala accepted a 3 months bill for the amount and gave it to Kala the same day. Kala discounted it immediately with Indian bank at discount of 5% p.a. On due date the bill was honoured by payment. You are required to give entries in the books of all the parties.	K4	CO5																																																				