

PSG COLLEGE OF ARTS & SCIENCE  
(AUTONOMOUS)

BSc DEGREE EXAMINATION DECEMBER 2019  
(Third Semester)

Branch - CATERING SCIENCE & HOTEL MANAGEMENT

ACCOUNTANCY

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (10x1 = 10)

- 1 \_\_\_\_\_ the transactions is known as Book Keeping.  
(i) Classifying (ii) Recording  
(iii) Summarising (iv) None of these
- 2 According to the going concern concept, a business entity is assumed to have  
(i) a long life (ii) a very short life  
(iii) an indefinite life (iv) a medium life
- 3 In double entry book-keeping posting means  
(i) to record the transactions from the journal to ledger  
(ii) to record the transactions in the journal  
(iii) to record the transactions in the subsidiary books  
(iv) to record the transactions in the cash book
- 4 Drawings account is related to  
(i) Nominal account (ii) Personal account  
(iii) Real account (iv) Company drawings account
- 5 All the transactions pertaining to an account are collected at one place in the  
(i) Journal (ii) Ledger  
(iii) Trial Balance (iv) Balance Sheet
- 6 \_\_\_\_\_ is prepared on base of rule that for every debit there is a corresponding and equal credit.  
(i) ledger (ii) trial balance  
(iii) profit and loss account (iv) balance sheet
- 7 Returns outward book makes a record of  
(i) goods returned to the suppliers (ii) goods returned to customers  
(iii) goods returned to proprietor (iv) goods returned to neighbours
- 8 The cash book records  
(i) all cash payments (ii) all cash receipts  
(iii) all cash receipts and payments (iv) only credit payments
- 9 An example of revenue expenditure is  
(i) Purchase of land (ii) Salaries  
(iii) Lease (iv) Purchase of buildings
- 10 Wages paid for erection of machinery are debited to \_\_\_\_\_  
(i) Wages account (ii) Machinery account  
(iii) Profit and Loss account (iv) Deferred wages account

Cont...

**SECTION - B (35 Marks)**

Answer **ALL** Questions

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

11 a Spell out the advantages of Accounting.

OR

b Bring out the classification of accounts.

12 a Distinguish between Single Entry System and Double Entry System.

OR

b Journalise the following transactions:

2010 Jan 2	Started business with cash Rs. 10,000
5	Purchased furniture for cash Rs.5,000
7	Purchased goods for Rs.2,000 on credit
15	Sold old buildings for Rs. 10,000
21	Paid rent for Rs. 1,500

13 a Post the following transactions to ledger accounts on May, 2003.

- |     |                                  |          |
|-----|----------------------------------|----------|
| 1.  | Ram commenced business with cash | Rs.6,000 |
|     | Goods                            | Rs.3,000 |
|     | And Building                     | Rs.8,000 |
| 5.  | Sold goods for cash              | Rs.700   |
| 10. | Cash Purchase                    | Rs.2,000 |

OR

b State the uses of Trial Balance.

14 a X Co. is trading in textiles. Record the following transactions in purchase day book:

- 1.1.2006 Purchased 100 silk pieces from A & Co. at Rs.100 per piece less trade discount at 5%. Packaging charges Rs.500
- 2.1.2006 Purchased from Madhura coats 100 meters of cotton fabrics at Rs.5 per meter less trade discount at 5%.
- 3.1.2006 Purchased furniture from ABC Co. for Rs. 10,000
- 4.1.2006 Purchased from Madhura Coats 200 metres of cotton fabrics at Rs.2 by paying cash
- 5.1.2006 Purchased stationery from Y & Co. on credit for Rs.500.

OR

b Enter the following in a single column cash book during January, 2002.

1. Commenced business with a capital of Rs. 10,000.
4. Bought goods for cash Rs.2,500.
- .8. Sold goods for cash Rs.2,000.
10. Paid for travelling expenses Rs.50.
12. Cash Sales Rs. 1,500.
15. Arun gave us loan of Rs.400.

15 a Prepare trading account for the year ending 31.3.2006.

Particulars	Rs.	Particulars	Rs.
Purchases	1,00,000	Sales	2,00,000
Opening Stock	40,000	Closing Stock	50,000
Purchases Returns	2,000	Sales Returns	5,000
Wages	10,000	Carriage inwards	3,000

OR

b Write short notes on (i) Bad Debts (ii) Depreciation.

**SECTION - C (30 Marks)**

Answer any **THREE** Questions

**ALL** Questions Carry **EQUAL** Marks (3 x 10 = 30)

16 Summarise the Accounting Concepts and Conventions.

Journalise the following transactions for the month of January 2006.

1. Dravid introduce a capital of Rs. 15,000
2. Paid the insurance premium for the shop Rs.300
3. Sold goods to Robert for Rs.2,000
4. Deposited into the bank Rs. 10,000
13. Indian Bank has charged Rs.100 for its service
14. Robert has repaid his dues of Rs.2,000
17. Bought goods from R Ltd for Rs.2,400
18. Sold goods to A Co Ltd for Rs.3,000 on credit
20. Paid amount due to r Ltd at 5% discount
22. A Ltd. settled its account at a discount of 2%

Prepare a Trial balance from the following details:

Particulars	Rs.	Particulars	Rs.
Capital	16,800	Opening Stock	21,000
Drawings	5,000	Purchases	36,000
Sales	72,000	Purchase Returns	2,000
Sales Returns	3,000	Debtors	4,500
Creditors	2,500	Furniture	900
Bills Receivable	2,300	Bills Payable	4,200
Wages	1,200	Advertisement	600
Discount allowed	100	Commission received	600
Machinery	20,000	Cash	3,500

Prepare a Single column cash book for the month of June, 2006:

1. Capital introduced Rs.50,000
2. Cash deposited into the bank Rs. 10,000
3. Wages paid by cash Rs.2,000
4. Credit purchases made from Ram and Company Rs.5,000
5. An amount of Rs.4,900 paid to ram and company by getting a cash discount of Rs.100
6. Salary of Rs.3,000 was paid by cheque.
7. Credit sales made to X Rs.4,000
8. Cash of Rs.38,000 received from X in full settlement of his claim by allowing him a discount of Rs.200.

From the following Trial balance as on 31.03.2005 and the adjustments given, prepare Trading and Profit & Loss A/c for the year ending 31.03.2005 and the balance sheet as on 31.03.2005:

Particulars	Rs.	Particulars	Rs.
To purchases	15,000	By Capital	40,000
To Salaries	2,000	By Sales	25,000
To Rent	1,500	By Creditors	1,000
To Insurance	300		
To Drawings	5,000		
To Machinery	28,000		
To Bank	4,500		
To Cash	2,000		
To Stock	5,200		
To Debtors	2,500		
Total	66,000		66,000

Adjustments:

- (i) Stock on hand on 31<sup>st</sup> March, 2005 Rs.4,900
- (ii) Depreciate Machinery by 10%
- iii'V Tnsimnrp naid in advance Rs.90.