

2-1-101

I.B.Com General/ CA/ASM (I Semester)

Paper 101 : Fundamentals of Accounting PPW :06 Hours

Unit-I - Introduction to Accounting

Need for Accounting - Definition - Objectives, Advantages - Book keeping and Accounting-Accounting concepts and conventions - Accounting Cycle - Accounting equation - Classification of Accounts and its rules - Double entry book keeping - Journalizing - Posting to ledgers, Balancing of ledger accounts- problems.

Unit -II - Subsidiary Books

Types of Subsidiary Books -Cash Book, Three column Cash Book- Petty cash Book -Problems.

Unit-III- Bank Reconciliation Statement

Need for bank reconciliation - Reasons for difference between Cash Book and Pass Book Balances- Preparation of Bank Reconciliation StatementProblems on both favorable and unfavorable balances.

Unit-IV -Bills of Exchange

Meaning of Bill -Features of bill - Parties in the Bill - Discounting of Bill - Renewal of Bill - Entries in the books of Drawer and Drawee. Problems

Unit -V -Trial Balance & Rectification of Errors

Preparation of Trial Balance -Types of errors - Rectification of Errorssuspense Account- Problems.

Text Books :

1. Accountancy -I, S.P. Jain & K.L Narang, Kalayani Publishers.
2. T.S.Reddy & A.Murthy , Financial Accounting , Margham Publications .

Reference Books

1. Principles and Practice of Accounting, R L Gupta & V. K Gupta, Sulthan Chand & sons.
2. Accountancy - I, Tulasian , Tata Mcgraw Hill Co.
5. Financial Accounting , Dr. V.K.Goyal, Excel Books.
6. K. Arunjothi, Fundamentals of Accounting, Maruthi Publications.

**Signature of the
Chairman (B.O.S.)
(20..... Exam)**

2-1-191

MODEL QUESTION PAPER
THREE YEAR B Com [Gen, CA & ASM] DEGREE EXAMINATIONS
FIRST SEMESTER (CBCS)
Paper - 101 : Fundamentals of Accounting
(Semester Pattern w.e.f. 2015-16)

Time : 3 Hours

Max. Marks : 75

Section A

Answer any Five of the following Questions:
(5 x 3 = 15 Marks)

1. (a) Accounting Equation
(b) Rules relating to different types of accounts
(c) Journal Proper
(d) Bank Reconciliation Statement
(e) Features of Bill
(f) Petty Cash Book
(g) Trial Balance
(h) Suspense Account

Section - B

Answer any ONE Question from each unit.
(5 x 12 = 60 Marks)

UNIT I

2. What are the Accounting concepts and conventions?
3. Journalise the following transactions.
- (a) Rao starts business with `10,000 cash and a building worth `50,000
 - (b) Purchased goods worth `20,000 out of which goods worth `12,000 was on credit from Shyam.
 - (c) Sold goods on credit worth `16,000 to Ram.
 - (d) Received `15,600 from Ram in full settlement of his account.
 - (e) Paid `11,800 to Shyam in full settlement of `12,000 due to him.
 - (f) Paid wages `500 and salaries `2,000

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UNIT – II

4. Enter the following transactions in suitable subsidiary books.

		₹
Jan.1	Purchased goods from Rekha	7,500
4	Sold goods to Midhum	8,000
5	Returned goods to Rekha	500
6	Sridevi bought goods from us	4,000
8	Received goods returned by Midhun	400
10	Rajesh sold goods to us	4,000
15	Sold goods to Kishore	3,000
16	Returned goods to Rajesh	600
20	Kishore returns goods	500

5. Enter the following transactions in a three column cash book.

2015		₹
January 1	Started business with cash	40,000
2	Opened savings bank account with Vijaya Bank	16,000
5	Bought goods by cheque	350
6	Received cheque from Suhas	400
	Allowed him discount	20
8	Sold goods for cash	80
10	Paid into bank – Cash	60
	Cheque	400
14	Paid Sateesh by cheque	690
	Discount received	10
17	Paid Carriage	300
20	Drew from bank for office	400
31	Paid Salaries by cheque	200

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UNIT - III

6. The Cash Book (Bank Columns) and the Pass book of Umasankar are given below. Prepare Bank Reconciliation Statement as on 31st December, 2015.

Dr. Cash Book (Bank column) Cr.

2015 Dec. 24			2015 Dec. 29		
	To balance b/d	360		By Mahesh	15
Dec. 27	To Prasad	60	Dec. 29	By Ganesh	145
Dec. 28	To Giridhar	120	Dec. 29	By	35
				Viswanadh	
Dec. 28	To Sankar	42	Dec. 31	By balance c/d	387
		582			582
Jan. 1	To Balance b/d	387			

Dr. Bank Pass Book Cr.

2015			2015		
Dec. 31	To Ganesh	145	Dec. 25	By balance b/d	360
Dec. 31	To balance c/d	400	Dec. 28	By Prasad	60
			Dec. 29	By Giridhar	120
			Dec. 31	By Interest	5
		545			545
			2016		
			Jan. 1	By balance b/d	400

7. From the following transactions prepare bank reconciliation statement.

- Overdraft balance as per cash book ` 2,000
- Out of cheques issued ` 35,000 payment was made for cheques amounting ` 28,000
- Of ` 20,000 cheques sent for collection ` 2,000 not realised up to reconciliation date.
- Bank charges ` 20 recorded in the debit side of the cash book.
- A cheque issued to Ramu for ` 99 was recorded in the cash book as ` 9.
- Interest on investments ` 350 was realised by the banker but entered in the credit side of the cash book.
- The cash book receipts side was overcast by ` 100
- The pass book payments side was under caste by ` 300

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UNIT – IV

8. A, for the temporary and mutual accommodation of himself and B, draws upon the latter a bill of exchange at 3 months for Rs.2,000 on 1st January, 2016. A draws upon the latter a bill of exchange at 3 months for Rs.1,000 on 1st January, 2016. A discounts the bill at 6% p.a. and hands half the proceeds to B. At maturity A remits the amount due to B who meets the bill. Pass journal entries in the books of both the parties.
9. Mohan sold goods to Sundar for Rs.300 on January 1st, 2015 and drawn the bill for four months. Mohan discounted the bill in the Bank at 6% on March 1st since he required money. The bill was honoured on the due date. Pass journal entries in the books of Mohan and Sundar.

UNIT – V

10. The following trial balance was prepared by a clerk appointed newly by Rao & Company. Some errors were found in the Trial Balance due to lack of experience in preparing accounts. Prepare Trial Balance by rectifying these mistakes.

S.No	Particulars	Debit	Credit
1.	Opening Stock	5,000	
2.	Capital		60,000
3.	Discount allowed		500
4.	Discount received		700
5.	Fixed Assets		60,000
6.	Sales	85,000	
7.	Purchases		45,000
8.	Purchase returns		1,000
9.	Sales returns	2,000	
10.	Carriage inwards		600
11.	Carriage outwards		700
12.	Wages, Salaries	25,000	
13.	Bills receivable	7,000	
14.	Debtors	9,000	
15.	Bills Payable		7,000
16.	Rent	3,000	
17.	Interest Paid		2,000
18.	Cash	800	
19.	Creditors	6,900	
20.	Closing Stock	33,800	
		1,77,500	1,77,500

**Signature of the
Chairman (B.O.S.)
(20.....Examine)**