(b) From the following find how much is to be shown in income and expenditure account for the year ending 31.12.97 for subscriptions

	Rs.
Subscription received during the year as	
Per receipts and payment accounts	28,680
Subscription outstanding on 01.01.97	2,400
Subscription outstanding on 31.12.97	3,000
Subscription received in advance on 01.01.97	1,800
Subscription received in advance on 31.12.97	1,080

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Reg. No. : ……………………………

Code No. : 21196 **Sub. Code : JMCA 32**

B.C.A. (CBCS) DEGREE EXAMINATION, NOVEMBER 2017.

Third Semester

Computer Application — Main

ESSENTIALS OF FINANCIAL ACCOUNTING

(For those who joined in July 2016 onwards)

Time : Three hours Maximum : 75 marks

SECTION A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Assets=?

   (a) Capital – liabilities

   (b) Capital – depreciation

   (c) Liabilities – assets

   (d) Capital + liabilities

2. The concept closely related to going concern concept is

(a) Cost concept (b) Dual aspect

(c) Accounting (d) Going concern

3. Journal proper is used to record

(a) total purchase

(b) credit purchases or assets

(c) all expenses paid in cash

(d) all adjusting and rectified entries

4. The appropriate book which is used to record credit purchase of land is

(a) purchase book (b) journal proper

(c) cash book (d) sales book

5. Any difference in Trial balance is normally transferred to

(a) Capital account

(b) Suspense account

(c) Sundry expense account

(d) None

6. Errors of carry forward affect

(a) personal a/c (b) impersonal a/c

(c) nominal a/c (d) real a/c

7. Capital is

(a) income (b) asset

(c) liability (d) loss

8. Current liabilities are recorded in the balance sheet on

(a) liability side (b) asset side

(c) both side (d) none

9. Receipts and payments account shows

(a) income and expenditure

(b) cash receipts and payments

(c) assets and liabilities

(d) profit and loss

10. Legacies are generally

(a) treated as income

(b) capitalized and taken to balance sheet

(c) treated as expenditure

(d) treated as loss

SECTION B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Answer should not exceed 250 words.

11. (a) Distinguish between accounting and book keeping.

Or

(b) Explain various methods of accounting.

12. (a) Journalise the following transactions in the books of Tmt. Amutha

		Rs.
2014 Jan 1	TmtAmutha commenced business with cash	50,000
2	Purchased goods for cash	10,000
5	Purchased goods from Mohan on credit	6,000
7	Paid into Bank	5,000
10	Purchased furniture	2,000
20	Sold goods to Suresh on credit	5,000
25	Cash Sales	3,500
26	Paid to Mohan on account	3,000
31	Paid salaries	2,800

Or

(b) Write the Difference between Journal and Ledger.

13. (a) List the advantages of trial balance.

Or

(b) Explain various kinds of errors committed in accounting process.

14. (a) Write the specimen form of a Trading account.

Or

(b) Explain the classification of assets and liabilities.

15. (a) State the difference between Receipts and Payment account and Income and Expenditure account.

Or

(b) Distinguish between income and expenditure account and profit and loss account.

SECTION C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Answer should not exceed 600 words.

16. (a) Explain various steps in the process of accounting in detail.

Or

(b) Briefly explain Dual aspect concept and cost concepts.

17. (a) Enter the following transaction in a cash book

2005		Rs.
March 1	Balance of cash in hand	200
1	Cash sales	3,000
2	Paid for cash purchases	1,500
4	Received from Ramu	2,500
7	Deposited into bank	1,000
9	Bought goods	250
13	Paid Taxi charges	140
15	Paid wages	100
20	Cash sales	1,300
21	Received from Gopal	2,000
24	Paid auto charges	40
28	Bought goods	1,500
29	Bought furniture	1,000
30	Paid salaries	1,500
30	Paid wages	470
31	Paid rent	1,000
31	Paid to Mahesh	250

Or

(b) Briefly explain various types of Subsidiary Books.

18. (a) Rectify the following errors

(i) Purchase book is overcast by Rs. 1,300

(ii) Sales book undercast by Rs. 2,500

(iii) Purchase return book overcast by Rs. 750

(iv) Sales return book under cast by Rs. 600

Or

(b) The following balances were extracted from the ledger of Mr. Pramod as on 31st March 2016. You are requested to prepare a trial balance as on that date

Drawings	60,000	Salaries	95,000
Capital	2,40,000	Sales return	10,000
Sundry creditors	4,30,000	Purchase return	11,000
Bills Payable	40,000	Commission paid	1,000
Sundry debtors	5,00,000	Trading expenses	25,000
Bills receivable	52,000	Discount earned	5,000
Plant & Machinery	45,000	Rent	20,000
Opening stock	3,70,000	Bank overdraft	60,000
Cash in hand	9,000	Purchases	7,08,000
Cash at bank	25,000	Sales	11,80,000

19. (a) Write the Proforma of a Profit and Loss account.

Or

(b) From the following Trial balance of M/S Ram and Sons, prepare trading and profit and loss account for the year ending on 31st March 2012 and the balance sheet as on the date

Trail Balance as on 31st March 2012

Particulars	Debit Rs.	Credit Rs.
Opening stock (1.4.2011)	5,000	
Purchases	16,750	
Discount allowed	1,300	
Wages	6,500	
Sales		30,000
Travelling expense	400	
Commission	425	
Carriage inwards	275	
Administration expenses	105	
Trade expenses	600	
Interest	250	
Building	5,000	
Furniture	200	
Debtors	6,250	
Creditors		2,100
Capital		13,000
Cash	2,045	
	45,100	45,100

Stock on 31st March 2012 was Rs. 6,000.

20. (a) The Chennai Cultural association gives you the following information and requires you to prepare the receipts and payments Account for the year 2015 Cash on 1.1.2015 was Rs. 2,50,000 and the same on 31.12.2015 was Rs. 2,40,000.

The receipts during the year were:

	Rs.
Subscription for 2013	5,000
Subscription for 2014	1,00,000
Subscription for 2015	5,750
Donation	20,000
Sale proceeds of waste paper	1,750
Hall Rent	15,000
Bank Interest	2,500
Admission fee of new members	10,000
(20% to be capitalized)	
The payments were	
Salary and wages	20,000
Telephone Expenses	3,500
Postage and stationary	9,750
Purchase of books	35,000
Entertainment Expenditure	15,000
Purchase of machinery	80,000
Miscellaneous expenses	6,750

Or