



THE AMERICAN COLLEGE, MADURAI

(An Autonomous Institution Affiliated to Madurai Kamaraj University)

Re-accredited (2nd Cycle) by NAAC with Grade "A", CGPA – 3.46 on a 4-point scale

Backlog Arrear Examination, March 2021

COM 2525/ECE

FUNDAMENTALS OF ACCOUNTING

Time: 3Hrs

Marks: 75

Part - A

Answer any FIVE of the following Questions:

(5x 15 = 75)

1. Explain the types of Accounts with Golden Rules of accounting.
2. How would you differentiate between Journal and Ledger? - Discuss.
3. Journalise the following Transaction:
 - a) Business started with a capital of Rs. 2,00,000
 - b) Purchase goods for cash Rs. 5,000
 - c) Cash Deposited in to bank Rs. 5,000
 - d) Purchased furniture for cash Rs. 3,000
 - e) Sold goods for Cash Rs. 8,000
 - f) Goods sold to Vikashini Rs. 5,000
 - g) Paid Salary of Rs. 8,000
 - h) Paid wages Rs. 500
 - i) Cash Received from Vikashini Rs. 5,000
 - j) Paid Advertisement Expenses Rs. 10,000
4. The following balances were extracted from the ledger of RamaKrishna & Co. on 31st March 2019. You are required to prepare a trial balance as on that date in proper form.

Particulars	Rs.
Drawings	6,000
Capital	24,000
Sundry Creditors	43,000
Bills payable	4,000
Bills receivable	5,200
Sundry Debtors	50,000
Loan from Sudha	10,000
Furniture	4,500
Opening stock	47,000

Cash in hand	900
Cash at bank	12,500
Tax paid	3,500
Sales	1,28,000
Salaries paid	9,500
Sales returns	1,000
Purchase returns	1,100
Travelling Expenses	4,600
Commission paid	100
Trading expenses	2,500
Discount received	4,000
Rent paid	2,000
Bank overdraft	6,000
Purchase	70,800

5. Prepare a Double Column Cash Book with the help of following information for December 2016:

- 01 Started business with cash Rs.1,20,000
- 03 Cash paid into bank Rs. 50,000
- 05 Purchased goods from Sushmita Rs. 20,000
- 06 Sold goods to Dinker and received a cheque Rs. 20,000
- 10 Paid to Sushmita cash Rs.20,000
- 14 Cheque received on December 06, 2016 deposited into bank
- 18 Sold goods to Rani Rs.12,000
- 20 Cartage paid in cash Rs.500
- 22 Received cash from Rani Rs.12,000
- 27 Commission received Rs. 5,000
- 30 Drew cash for personal use Rs. 2,000

6. The bank overdraft of Raj on 31.12. 2018 as per cash book is Rs. 9,000. From the following particulars, prepare bank reconciliation statement:

- a) Unpresented Cheque Rs. 3,000
- b) Uncleared Cheque Rs. 1,700
- c) Bank interest debited in the pass book only Rs. 500
- d) Bill collected and credited in the pass book only Rs. 800
- e) Cheque of Rita dishonoured Rs. 500

f) Cheque issued to Seneka entered in the Cash column of cash book Rs. 300

7. The following Trial Balance Sheet as on 31st March 2019 was extracted from the books of Mr. Manuel.

Particulars	Debit (Rs.)	Credit (Rs.)
Manuel 's Capital		36,500
Manuel's Drawings	1,200	
Wages	4,200	
Sundry Expenses (workshop)	1,450	
Insurance	540	
Office salaries	3,460	
Rent and Taxes (workshop)	1,300	
Rent and Taxes (office)	700	
Purchase	36,000	
Sales		70,000
Advertising	1,700	
Carriage	350	
Returns inwards	250	
Returns outwards		700
Discount received		190
Sundry Debtors	9,800	
Sundry Creditors		4,360
Travellers salaries and commission	3,100	
Bank Overdraft		700
Plan and Machinery	9,800	
Losse tools	1,000	
Business premises	40,000	
Loan on Mortgage of Premises		20,000
Stock of books and stationary	500	
Commission received		400
Stock on 1-4-2018	16,200	
Trade Expenses	1,300	
	1,32,850	1,32,850

Preparing the Trading and Profit and Loss Account for the year ended 31st March 2019, assuming closing stock on that date Rs. 18,000. Also Prepare a Balance Sheet.