

Register Number :

Name of the Candidate :

1 2 4 8

B.Sc. DEGREE EXAMINATION, 2011

(MATHEMATICS)

(FIRST YEAR)

(PART - III)

(GROUP - B - ANCILLARY)

550. ACCOUNTANCY - I

May]

[Time : 3 Hours

Maximum : 75 Marks

SECTION – A (6 × 5 = 30)

Answer any SIX questions.

All questions carry equal marks.

1. Define book-keeping and state the need for accounting.
2. Name three types of accounts and give the rules for debit and credit for them.

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3. Explain money measurement concept and dual aspect concept.
4. What is petty cash book under imprest system and state its uses.
5. What is a Trial Balance and how does it differ from a Balance Sheet?
6. What is the need for preparing a Bank Reconciliation Statement?
7. Write notes on Base date and Due date in calculating Average Due Date.
8. Define depreciation and mention the need for providing depreciation.
9. How will you treat the following adjustments in Final accounts?
 - (a) Income received in advance.
 - (b) Accrued income.
 - (c) Goods lost by fire.
10. What is account current? What are its practical uses?

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The sinking fund tables show that ₹ 0.317208 at 5% will in 3 years accumulate to ₹ 1. Open depreciation fund account, Depreciation Fund Investment account and Lease account for 3 years.

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Debit Balances	₹	Credit Balances	₹
Bills receivable	2,900		
Rent	450		
Commission	250		
General expenses	800		
Furniture	500		
	40,500		40,500

The following adjustments are to be made:

- Stock on 31.12.2009 was Rs.4,000
- Interest on Capital at 6% to be provided per annum.
- Interest on Drawings at 5% to be provided per annum.
- Wages yet to be paid ₹ 100
- Rent Prepaid ₹ 50.

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12. Following errors were detected after preparation of Trial Balance and taking the difference to Suspense account, rectify the errors.

- A Credit sale of ₹ 450 to Chitra was debited to Mitra.
- A Purchase of goods for ₹ 750 from Chakravarthy was debited to his account.
- An office almirah Purchased for ₹ 750 was debited to repairs accounts.
- A Sum of ₹ 350 received from Maya a debtor was debited to his account.
- Purchase of goods for the consumption of the Proprietor was debited to Purchases account.
- Discount allowed ₹ 75 was credited to discount received account.

Turn Over

13. On 1.1.2009 the amount due from Arun to Akbar was ₹ 10,000. During the Six months ended June, the transactions were as follows:

2009		₹
Feb., 10	Sold Goods to Arun	20,000
March, 15	Purchased Goods from Arun	6,000
April, 20	Cash received from Arun	8,000
May, 15	Cash Paid to Arun	6,000

Prepare an account current to be rendered by Akbar to Arun on 30.6.2009, calculating interest at 12·1. Per annum.

14. On 1.1.2006, a trader purchased a three years lease of premises for ₹ 30,000 and it was decided to make provision for replacement by means of a depreciation fund. The expected rate of interest on investments is 5% per annum.

SECTION– B (3 × 15 = 45)

*Answer any THREE questions.
All questions carry equal marks.*

11. The following are the balances extracted from the books of Ganapathi as on 31.12.2009. Prepare Trading & Profit and Loss account for the year ending 31.12.2009 & a Balance Sheet as on the date.

Trial Balance as on 31.12.2009

Debit Balances	₹	Credit Balances	₹
Drawings	4,000	Capital	20,000
Cash at bank	1,700	Sales	16,000
Cash in hand	6,500	Sundry Creditors	4,500
Wages	1,000		
Purchases	2,000		
Stock 1-1-2005	6,000		
Buildings	10,000		
Sundry Debtors	4,400		

Turn Over