

## B.VOC - RETAIL MANAGEMENT

**Course Code: VRM1DSC02**

**Name of the Course: Fundamentals of Accounting**

**Time: 2.00 Hours**

**Max Marks: 60**

### **Section – A (Conceptual Questions)**

**1. Answer any five of the following. Each Sub-question carries two marks. (5 x 2 = 10)**

- Why is Accounting necessary?
- What do you mean by computerized Accounting?
- What do you mean by Final Accounts?
- What do you mean by Business Entity Concept?
- What do you mean by Prepaid Expenses?
- What do you understand by “Balancing an account”?
- Why do you prepare Bank Reconciliation Statement?

### **Section – B (Application Questions)**

**Answer any Four of the following. Each question carries six marks. (4 x 5=20)**

- Explain the objectives of Computerised accounting system.
- Journalise the following transactions.

2021 March

- 1<sup>st</sup> Started business with cash ₹ 150000
- 8<sup>th</sup> Cash Purchases ₹15000
- 9 Cash Sales ₹12500
- 17 Goods sold to Mr.Raghu ₹7500
- 18 Purchased office furniture ₹30000
- 23 Purchased goods for Mr.Prakesh ₹20000
- 27 Received cash from Mr. Raghu ₹5000
- 29 Received Commission ₹ 1000
- 30 Paid Rent by Cash ₹500.

- Prepare Trial balance in the books of Mr.Arun from the following ledger:

<b>Particulars</b>	<b>₹</b>	<b>Particulars</b>	<b>₹</b>
Capital	?	Debtors	10,000
Creditors	25,000	Sales	1,00,000
Purchases	1,25,000	Outstanding Expenses	7,500
Establishment Expenses	6,000	Prepaid Expenses	2,500
Building	1,00,000	Closing Stock	30,000

- Record the following transactions of M/s PQR in Simple Column Cash Book.

- 1<sup>st</sup> Cash Balance ₹ 50,000
- 5<sup>th</sup> Cash received from PQR ₹ 30,000.
- 9<sup>th</sup> Fire Insurance Premium Paid ₹ 10,000
- 14<sup>th</sup> Purchased furniture ₹ 15,000

- 18<sup>th</sup> Sold goods for cash ₹ 80,000  
 19<sup>th</sup> Purchased goods for cash ₹30,000 from Mr.K.  
 22<sup>nd</sup> Purchased stationary ₹.3,000  
 25<sup>th</sup> Cash paid to Mr.kirthan on account ₹10,000  
 30<sup>th</sup> Sold Goods to Mr. Arun for cash ₹ 5000  
 31<sup>st</sup> Paid salary ₹ 5000  
 31<sup>st</sup> Deposited in Bank ₹10,000.

6. Jashvan a businessman Enters into the following transactions in the month of Jan 2018.  
 Prepare purchase book and Purchase returns book.

1 <sup>st</sup> Jan 2018	Purchased goods from Janani Subject to Trade Discount of 10%	₹2000
2d Jan 2018	Returned goods to Janani	₹200
3 <sup>rd</sup> Jan 2018	Sent a debit note to Janani for an over charge made by him	₹ 100
4 <sup>th</sup> Jan 2018	Purchased Goods from Sumo	₹500

**Section – C**  
**(Analyses and Understanding Questions)**

**Answer any two of the following. Each question carries Twelve marks. (2 x 12=24)**

7. Journalize the following transactions in the books of Mr.Babu and prepare necessary ledger accounts.

- a. Started business with capital ₹ 100000
- b. Deposited into Bank ₹ 80000
- c. Purchased goods and Paid by cheque ₹ 40000
- d. sold goods to Nishanth ₹ 50000
- e. Purchased goods from Amar ₹ 100000
- f. Paid carriage ₹ 20000
- g. Receives cash from Nishanth ₹ 30000
- h. Paid to Amar by cheque ₹ 50000

8. Prepare a Three Column Cash Book from the following transactions.

June 2018

1 <sup>st</sup> Cash in hand	₹50,000
Cash at bank	₹20,000
2 <sup>nd</sup> Paid into bank	2,000
5 <sup>th</sup> Bought furniture and issued cheque	₹4,000
8 <sup>th</sup> Purchased goods for cash	₹1,000
12 <sup>th</sup> Received cash from Manoj	₹7,800
Discount allowed to him	₹200
14 <sup>th</sup> Cash Sales	₹4,000
16 <sup>th</sup> Paid Amar by Cheque	₹3,900
Discount received by him	₹100
19 <sup>th</sup> Paid into bank	₹800
23 <sup>rd</sup> Withdrawn from bank for personal use	₹1,200
24 <sup>th</sup> Received Cheque from Pankaj	₹2,860
Allowed him discount	₹40
26 <sup>th</sup> Deposited Pankaj's Cheque into bank	
28 <sup>th</sup> Withdrawn cash from bank for personal use	₹4,000
30 <sup>th</sup> Rent Paid by Cheque	₹1,600.

9. The Trial Balance of Sarathi Co. Ltd as on 31-12-2018 is given below:

	Dr. (₹)	Cr. (₹)
Capital Account	-	20,000
Drawings	2,000	-
Salaries	3,600	-
Debtors and Sales	8,000	76,000
Purchases and Creditors	47,000	6,500
Opening Stock	14,500	-
Printing and Stationery	1,750	-
Carriage Inwards	700	-
Returns	1,700	1,200
Bills Receivable	1,000	-
Bills Payable	-	3,500
Insurance	300	-
Bad Debts	5,000	-
Plant & Machinery	5,000	-
Furniture	1,500	-
Wages	2,800	-
Rent & Taxes	1,250	-
Commission	-	800
Land & Building	10,000	-
Cash in hand	1,900	-

Adjustments:

1. Depreciation on Plant & Machinery at 10%.
  2. Depreciation on Furniture at 5%.
  3. Outstanding salary ₹ 600
  4. Insurance Paid in advance ₹100
  5. Closing Stock ₹ 24,600.
  6. Create 5% provision for doubtful debts on debtors.
- Prepare Final Accounts of Sarathi Co. Ltd.

**Section – D**  
**(Skill Development Questions)**

**Answer any one of the following questions, carries six marks**

**(1 x 6 = 06)**

10. List out any 6 pre-determined Groups and Ledger created by tally software.
  11. List out any 6 accounting concepts.
-