

**Avinashilingam Institute for Home Science and Higher Education for Women
[Deemed to be University] Coimbatore-641 043**

Bachelor's Degree Examination – November 2018

III Semester

**Class : II UG
Major : Information Technology**

**Time: 3 hours
Max. Marks: 100**

15BITI03 DSE – III Business Accounting with Tally

Part-A

10 x 1=10

Choose the correct answer

1. The accounting equation is connected with _____.
a) Asset only
b) Liabilities only
c) Assets, liabilities and capital
d) none of these.
2. Double entry means _____.
a) Entry in two sets of books
b) Entry in two pages
c) Entry in two aspects of a transaction
d) Entry made two times.
3. Each transaction is first entered in the _____.
a) Ledger
b) Journal
c) Trial balance
d) Balance sheet.
4. Purchase book makes a record of _____.
a) all purchases
b) Cash purchases
c) Credit purchases
d) Total purchases.
5. The balance of the petty cash book is an _____.
a) Asset
b) Income
c) Expenditure
d) Outstanding.
6. Trial balance is a _____.
a) Revenue statement
b) Statement of ledger balance
c) Ledger account
d) Income statement.
7. Gross profit is transferred to _____.
a) Capital account
b) Profit and loss account
c) Purchase account
d) Sale account.
8. Balance sheet is prepared to _____.
a) Know the financial position
b) Know the profit or loss
c) Know the net profit
d) Know the liabilities.
9. A customer's bank pass book contains a copy of _____.
a) the bank column of the customer's book
b) the customer's account in the bank cash book
c) the cash column of the customer's cash book
d) none of these.
10. Casting errors are the result of _____.
a) Wrong posting
b) Wrong totalling
c) Wrong balancing
d) Wrong entry.

PART-B**(5x6=30)****Answer the following.****Answer should not exceed 400 words or two pages**

11.a) Explain in brief the functions of accounting.

(or)

11.b) List out the advantages of Double entry system.

12.a) Journalise the following in the book of raja.

	Rs.
2014, Jan 1 started business with cash	60,000
4 opened an account in a bank	20,000
9 purchased goods	9,800
18 sold goods	12,100
23 purchased goods from shalini	15,000

(or)

12.b) Enter the following transactions in returns inward book.

2013, April

6 Return by Shankar 30 shirts each costing RS.150 due to inferior quality.

8 Amar tailors returned 10 baba suits, each costing RS.100 on account of being not in accordance with their order.

21 T.N Stores returned 12 salwar sets each costing RS.200 being not in accordance with order.

13.a) Enter the following transactions in the single column cash book of sapna.

2014, April	Rupees
1 Balance of cash in hand	15,000
8 Purchased good for cash	3,200
15 Sold goods for cash	4,800
22 Received commission	650
27 Paid to Anish on an account	7,500
30 Rent paid	600

(or)

13.b) Prepare a petty cash book from the following information on the imprested system.

2014, Jan	Rs.
1 Received Rs. 700 for petty cash	
2 Paid Travelling charges	10
3 Paid cartage	6
4 Paid for telegram	17
5 Paid wages to casual labourer	15
6 Paid for stationary	40
7 Paid for repairs	15
8 Paid for bus fare	17
9 Paid for cooliage	30
10 Paid for postage	60
11 Paid for taxi	70
12 Paid for refreshment	50
13 Paid for carriage	17
14 Paid for printing	20
15 Paid for conveyance	12

13.b) From the under mentioned balances, prepare a Trial Balance as on 31.03.2007.

	Rs.		Rs.
Purchase	4, 80,000	Bills receivable	80,000
Opening stock	1, 40,000	Salaries	80,000
Sundry creditors	96,000	Capital	4, 00,000
Machinery	2, 40,000	Bills payable	88,000
Wages	64,000	Sundry debtor	2, 00,000
Sales	8, 04,000	Rent	40,000

14.a) Prepare the trading Account of Archana for the year ending 31.12.96 from the following information

	Rs.		Rs.
Opening stock	80,000	Import duty	30,000
Purchases	8, 60,000	Sales returns	3, 16,000
Freight inward	52,000	Closing stock	1, 00,000
Wages	24,000		
Sales	14, 40,000		
Purchase returns	10,000		

(or)

14.b) Bring out the Importance of profit and loss account.

15.a) From the following information prepare a Bank Reconciliation statement.

Balance as per pass book	Rs.19,000
Cheque issued but not presented in the bank	Rs.15,000
Cheque deposited into bank but not collected	Rs.1,500
The credit side of the cash book has been over added by	Rs. 500
Interest credited in pass book but not recorded in cash book	Rs.150
Bank charges debited in the pass book only	Rs.100

(or)

15.b) Explain the Basic Principles for Rectification of Error.

5x12=60

Part-C

Answer for all questions

Answer should not exceed 800 words or four pages

16.a) Describe the different Accounting Concepts.

(or)

16.b) Examine the Rules of the Double Entry System.

17.a) Journalise the following transaction and prepare Ledger Account.

Jan, 2015	Rs.
1 Started business with cash	30,000
4 Deposited into bank	10,000
13 Goods purchased for cash	5,000
15 Withdraw from bank for office use	1,000
25 Credit sales to sumit	1,500

(or)

17.b) Prepare proper subsidiary books from the following data

2014, April	Rs.
1 Purchased goods from Sakshi	12,000
5 Sold goods to Prakash	15,000
8 Bought goods from Shwetha	5,000
12 Returned goods to Sakshi	400
15 Goods returned from Prakash	200
18 Goods returned to Shwetha	500
21 Purchased goods from Sakshi	20,000
25 Purchased goods from Shwetha	2,000
30 Sold goods to Prakash	5,000
30 Returned goods to Sakshi	2,000

18.a) Discuss about the types of cash book.

(or)

18.b) Prepare a trial balance of monika as on 31.03.2014 from the following

Ledger Balances:	Rs.		Rs.
Purchases	60,000	Expenses	20,000
Reserve fund	20,000	Outstanding expenses	2,000
Sales	1, 00,000	Bank balance (Dr)	5,000
Purchase returns	1,000	Asset fixed	50,000
Sales returns	2,000	Debtors	80,000
Opening stock	30,000	Creditors	30,000
Closing stock	40,000	Capital	94,000

19.a) Distinguish between Trading and Profit & Loss Account.
(or)

19.b) From the following balances extracted from the books of R and Co. Prepare Trading and Profit and Loss Account and Balance sheet.

	Rs.		Rs.
Opening stock	1,250	Plant and Machinery	6,230
Sales	11,800	Purchase returns	1,380
Depreciation	700	Cash	1,195
Commission received	200	Salaries paid	750
Insurance premium	380	Debtors	2,905
Carriage inwards	300	Discount paid	300
Furniture	2,670	Bills receivables	3,250
Printing and stationary	481	Wages	1,589
Carriage outwards	200	Sales returns	1,659
Capital	9,004	Bank overdraft	6,000
Creditors	3,300	Purchases	8,679
Bills payable	1,084	Petty cash	50
Bad debts	180		

Value of the stock as on 31st December 2013 was Rs. 3,700

20.a) Find out the balance as per pass book from the following particulars:

- i. Bank overdraft as per cash book on 30th April 2006 Rs.2,000.
- ii. Cheque issued but not presented for payment Rs.1,350.
- iii. Cheque deposited but not yet collected by the banker Rs.560.
- iv. Bank charges made by the bank not entered in the cash book Rs. 80.
- v. Interest on the investments collected by the banker and credited in the pass book Rs.905.

(or)

20.b) Rectify the following errors:

- i. Purchase book is overcast by Rs.500.
- ii. Sales book has been under cast by Rs.300.
- iii. Purchase returns book has been overcast by Rs.50.
- iv. Sales returns book has been under cast by Rs.75.