

Roll No.

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B.Sc. (IT) (Sem.-4)

BASIC ACCOUNTING

Subject Code : BSIT-405

M.Code : 74087

Date of Examination : 11-07-22

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTION-B contains SIX questions carrying TEN marks each and students have to attempt any FOUR questions.

SECTION-A

1. Explain the following terms :
 - a. Explain three limitations of book keeping.
 - b. What are the objectives of journal?
 - c. How fixed asset differ from current asset?
 - d. What do you understand by business entity concept?
 - e. Discuss in detail benefits of profit and loss account.
 - f. Define balance sheet.
 - g. Discuss the significance of contra entry.
 - h. What do you mean by error escaped?
 - i. What do you understand by working capital?
 - j. Define applications of computer in accounting.

SECTION-B

2. Define book keeping. Discuss in detail objectives, advantages and disadvantages of book keeping and double entry system.

3. Journalise the following transactions of oxford for the month of September 2013, post them to ledger and balance the account :

Date	Particulars	Amount
September 3	Oxford started business with cash	5,00,000
September 4	Paid into bank	2,00,000
September 5	Bought goods for cash	1,00,000
September 6	Drew cash from bank for office	50,000
September 7	Sold goods to Krish on credit	50,000
September 8	Bought goods from Ravi on credit	75,000
September 9	Received cash from Krish	40,000
September 10	Paid cash to Ravi	40,000
September 10	Discount allowed by Ravi	1000
September 11	Cash sales for month	60,000
September 12	Paid rent	10,000
September 12	Paid salary to Kabir	5000

4. *“Accounting concepts are like scientific rule, which are time tested and applicable universally across the boundaries and in different situations, where as conventions are certain accounting policies and procedures which are followed as a matter of practice is the business organizations”*. Discuss.
5. Enter the following transactions in a cash book :

March 1	Sri Arvind Mehta started business with Rs.4000.
March 3	He purchased goods for cash Rs.2155.
March 9	Received cash for sale of goods for cash Rs.1495
March 10	Opened account with canara bank by paying Rs 1000.
March 14	Purchased office furniture for cash Rs. 135.
March 21	Received from Manoharlal by postel order Rs .475
March 23	Sent by m.o. Rs. 200 to Shankar and paid commission for the same Rs.4
March 27	Cash sales Rs. 380
March 28	Bought stationery and paid cash Rs. 20.
March 28	Paid advertising charges Rs.70
March 31	Trunk call expenses Rs.5

6. Define computers. What are the different forms software used in different organizations? Discuss in detail objectives, advantages and disadvantages and applications of computers in accounting.

7. Company A's bank statement dated Dec. 31, 2011 shows a balance of Rs. 24,594.72. The company's cash records on the same date show a balance of Rs. 23,196.79. Following additional information is available :
- a. Following checks issued by the company to its customers are still outstanding :

No. 846 issued on Nov. 29	Rs. 320.00
No. 875 issued on Dec. 26	Rs. 49.21
No. 878 issued on Dec. 29	Rs. 275.00
No. 881 issued on Dec. 31	Rs. 186.50
 - b. A deposit of Rs. 400.00 made on Dec. 31 does not appear on bank statement.
 - c. An NSF check of Rs. 850 was returned by the bank with the bank statement.
 - d. The bank charged Rs. 50 as service fee.
 - e. Interest income earned on the company's average cash balance at bank was Rs. 1,237.22.
 - f. The bank collected a note receivable on behalf of the company. Amount received by the bank on the note was Rs. 550. This includes Rs. 50 interest income. The bank charged a collection fee of Rs. 10.
 - g. A deposit of Rs. 430 was incorrectly entered as Rs. 340 in the company's cash records. Prepare a bank reconciliation statement using the above information.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.