

**FIFTH SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2025**

**(Regular/Improvement/Supplementary)**

**GBCM5D03T: BASIC ACCOUNTING**

**(OPEN COURSE)**

**Time: 2 Hours**

**Maximum Marks: 60**

**SECTION A: Answer the following questions. Each carries *two* marks.**

**(Ceiling 20 marks)**

1. What is balancing of an account?
2. What is meant by fixed asset?
3. State the meaning of cash discount.
4. What is ledger?
5. Comment on contra entry.
6. Why journal is called book of original entry?
7. Distinguish between sales book and sales account.
8. How is closing stock shown in final accounts?
9. What are the objectives of accounting?
10. Comment on double entry system.
11. Give one example each for the following transactions.
  - a. Asset increase and liability increase.
  - b. Asset decrease and liability decrease.

12. Ascertain the cost of goods sold

	₹
Opening stock	42,000
Purchases	1,43,500
Direct expenses	22,500
Closing stock	28,000

**SECTION B: Answer the following questions. Each carries *five* marks.**

**(Ceiling 30 marks)**

13. Explain the rules for debit and credit.
14. What is management accounting? Compare it with financial accounting.
15. What is a trial balance? Why is it prepared?
16. Give journal entries for the following transactions:
  - a) Started business with cash ₹ 1,00,000
  - b) Purchased goods for cash from Mr. P ₹ 60,000
  - c) Sold goods to Mr. R ₹ 40,000
  - d) Machinery purchased ₹ 45,000
  - e) Paid rent ₹ 8,000
17. From the following details show the account of Mr. M
  - 2025 June 1 Credit balance b/d ₹ 1,600
  - „ 9 Purchased goods from Mr. M ₹ 1,400
  - „ 10 Returned goods to Mr. M ₹ 250
  - „ 24 Sold goods to Mr. M ₹ 750

**(PTO)**

- ,, 28 Received goods returned by Mr. M ₹ 450  
 ,, 30 Paid cash ₹ 2,425 to Mr. M and discount allowed by him ₹ 25  
 18. The following are the transactions taken from the books of a furniture dealer. Prepare his sales book.

- 2025 July 1 Sold to Mr. A 5 wooden tables at ₹1,350 per table.  
 ,, 9 Sold to Mr. B 2 dressing tables for cash ₹ 2,750 each.  
 ,, 11 Sold to Mr. C one typewriter for ₹ 15,000.  
 ,, 17 Sold to Mr. D 2 dining tables at ₹ 12,000 per table. Trade discount 10%  
 ,, 19 Sold 50 chairs to Mr. T at ₹ 450 per chair.  
 ,, 22 Sold to Mr. G 2 steel cabinets at ₹ 15,000 each.

19. Enter the following transactions in a cash book. ₹
- |            |  |       |
|------------|--|-------|
| 2025 May 1 | Opening balance: Cash in hand                    | 1,900 |
|            | Cash at bank                                     | 4,300 |
| ,, 3       | Purchased goods for cash                         | 1,200 |
| ,, 5       | Sold goods for cash                              | 5,400 |
| ,, 7       | Paid to Mr. S by cheque                          | 2,250 |
| ,, 10      | Received cheque from Mr. R and deposited in bank | 3,100 |
| ,, 13      | Deposited cash into bank                         | 1,500 |
| ,, 16      | Purchased stationery                             | 150   |
| ,, 19      | Received commission                              | 350   |
| ,, 23      | Paid rent by cheque                              | 450   |
| ,, 28      | Withdrew cash for domestic use                   | 300   |
| ,, 30      | Paid into bank                                   | 2,000 |

**SECTION C: Answer any one question. The question carries ten marks.**

20. What are subsidiary books? Explain important subsidiary books.  
 21. From the following details prepare final accounts for the year ended 31<sup>st</sup> March, 2025.

Particulars	Debit ₹	Credit ₹
Stock as on 01.04.2024	2,00,000	
Purchases and Sales	22,00,000	33,00,000
Returns	1,00,000	80,000
Carriage inwards	50,000	
Salaries	2,60,000	
Insurance	1,20,000	
Wages	80,000	
Bad debts	10,000	
Furniture	7,00,000	
Capital		7,50,000
Printing and stationery	80,000	
Cash at bank	3,15,000	
Petty cash	5,000	
Commission	10,000	
	41,30,000	41,30,000

Adjustments:

Stock on 31st March, 2025 was valued at ₹ 4,00,000.

Depreciate furniture @ 10% p.a.

Insurance of ₹ 60,000 was paid in advance

Commission receivable ₹ 50,000.

(1 × 10 = 10 Marks)