

## **Assignment**

### **MCA Sem-1**

#### **Subject: Fundamentals of Accounting**

**Subject Code: 2305MN101**

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#### **Unit – 1 Introduction to Accounting**

Q.1 Explain Brief concepts of accounting.

Q.2 Write Characteristics and Objectives of Accounting

Q.2 Explain following terms:

1. Accounting
2. Debtors
3. Creditors
4. Bad-debts
5. Trial Balance
6. Liabilities
7. Drawings
8. Capital
9. Drawings
10. Subsidiary Books

#### **Unit – 2 Recording of Business Transactions**

Q.1 Journalize the following transactions.

1. Ajit started business with cash ₹ 40,000, furniture of ₹ 50,000 and Machinery of ₹ 45,000.
2. He paid into bank ₹ 2,000.
3. He purchased goods for cash ₹ 15,000.
4. He sold goods for cash ₹ 6,000.
5. He purchased furniture and paid by cheque ₹ 5,000.

6. He sold goods to Arvind ₹ 4,000.
7. He purchased goods from Amrit ₹ 10,000.
8. He returned goods to Amrit ₹ 5,000.
9. He received from Arvind ₹ 3,960 **in full settlement**.
10. He withdrew goods for personal use ₹2,000.
11. He withdrew cash from business for the personal use ₹ 1,000.
12. He paid telephone bill ₹ 1,000.
13. Cash paid to Amit for **full settlement** ₹ 4,900.
14. Paid for stationery ₹ 200, rent ₹ 500 and salary to staff ₹ 2,000.
15. Goods distributed by way of free sample ₹ 1,000.

Q.2 Following Information are received from Ganesh Traders. Journalize the transactions, post the entries in ledger.

2021 Jan		Amt. ₹
1.	Ganesh started his business with	20,000
4.	Borrowed from Mahesh	5,000
5.	Deposited in to bank	10,000
5.	Purchased Fixed Assets for	5,000
7.	Bought goods for	1,500
9.	Sold Goods for	9,000
10.	Purchased goods on credit from Ramesh for	20,000
12.	Sold goods on credit to Shyam for	12,000
14	Received ₹ 11,880 from Shyam after allowing him cash discount of ₹ 120	

### Unit – 3 Trial Balance & Valuation of Inventory

Q.1 The following balances are extended from the books of Shri Narendra on 31-03-2022. From these balances prepare a trial balance.

Name of account	Amount (₹)	Name of account	Amount (₹)
Owner's capital	48,000	Drawings	2,000
Bank balance	14,000	Cash balance	4,800
Travelling Exp.	480	Salary	800
Debtors	14,040	Interest received	200
Rent	600	Sales returns	2,200
Purchase Returns	1,400	Sales	36,800
Purchase	28,000	PF Contribution	320
Provident fund	1,000	Loan borrowed	9,200
Machines	7,200	Stock of goods	34,000
Creditors	8,640	Advertisement Exp.	480
Stationery Exp.	400	Furniture	9,800
Discount received	280	Discount allowed	400
Bills payable	3,000	Bills receivable	6,000
Commission Received	4,000	Bad debts	1,000
Loan from friend	6,000	Exps. outstanding	8,000

Q.2 From the following information prepare statement of stock as per FIFO and LIFO method.

Date (2023)	Quantity (No.)	Particulars
January 05	1,000	Purchased at Rs. 1.20 each
11	2,000	Issued
February 01	1,500	Purchased at Rs. 1.30 each
18	2,400	Issued
26	1,000	Issued
March 08	1,000	Purchased at Rs. 1.40 each
17	1,500	Purchased at Rs. 1.30 each
28	2,000	Issued

The stock on January 1, 2023 was 5,000 number valued at Rs. 1.10 each. What value would you place on stocks as on March 31, 2023?

## Unit – 4 Financial Statements of Sole Proprietorship

Q.1 The below given is the Trial Balance of Mr. Rajababu. Prepare his Final Accounts.

Trial Balance as on 31<sup>st</sup> March' 2022

Particulars	Amt.	Particulars	Amt.
Buildings	1,00,000	Return Outwards	5,000
Plant and Machinery	1,80,000	Discount Received	15,000
Sundry Debtors	50,000	Loan From B.O.B.	20,000
Salaries	60,000	Sundry Creditors	30,000
Advertisement Expenses	5,000	Mr. Rajababu's Capital	3,30,000
Carriage Outward	15,000	Sales	13,00,000
Bad Debts	5,000	Travelling Expenses	30,000
Postage and Telephone	3,000	Insurance Charges	6,000
Printing and Stationery	10,000	Loss on Sale of Assets	3,000
Audit Fees	15,000	Sales Promotion Expenses	5,000
Conveyance	20,000	Return Inwards	15,000
Wages	48,000	Opening Stock	60,000
Carriage Inwards	30,000	Purchases	10,00,000
Drawings	40,000		

### Additional Information:

- 1.) Closing Stock was valued at ₹ 1,50,000.
- 2.) Provide depreciation on Plant and Machinery @ 10%.
- 3.) Provide additional Bad debts ₹ 2,000 and new B.D.R. ₹ 1,000. Interest on loan is ₹ 6,000.
- 4.) Unrecorded Sales amounted to ₹ 30,000 and goods received on 30<sup>th</sup> March'12 are remained unrecorded in purchase book ₹ 10,000.
- 5.) Provision required Outstanding Salaries ₹ 15,000 and Delivery Charges ₹ 15,000 as on 31<sup>st</sup> March'22.
- 6.) Goods withdrawn for personal use ₹ 15,000.

Q.2 Prepare statement showing closing adjustment entries with items given in Trial Balance and items not given in Trial Balance.

**Unit – 5 Final Accounts of Companies**

Q.1 Prepare specimen of P&L Account as per Companies Act. 2013

Q.2 Prepare specimen of Balance Sheet as per Companies Act. 2013