

PGDCAA/DCA/CCA-02

June – Examination 2020

PGDCAA/DCA/CCA Examination**Fundamental of Accounting****Paper : PGDCAA/DCA/CAA-02***Time : 3 Hours]**[Maximum Marks : 100*

Note :- The question paper is divided into three Sections A, B and C. Write answers as per given instructions.

Section-A**10×2=20****(Very Short Answer Type Questions)**

Note :- Answer all questions. As per the nature of the question delimit your answer in one word, one sentence or maximum up to **30** words. Each question carries 2 marks.

1. (i) What is Accounting ?
- (ii) Explain any Accounting Equation.

- (iii) Give and dummy journal entry and provide its posting.
- (iv) What is meant by Bills Payable ?
- (v) What is a three column cash book ?
- (vi) Write a dummy Contra Entries with narration.
- (vii) What do you mean by unearned income ?
- (viii) Write any *two* functions of Security Analyst.
- (ix) What is provision for bad debts ?
- (x) What do you mean by inflow of funds ?

Section-B**4×10=40****(Short Answer Type Questions)**

Note :- Answer any *four* questions. Each answer should not exceed **200** words. Each question carries 10 marks.

2. What do you mean by Debit and Credit Balance ?
Explain.
3. Why a accountant manages Petty Cash Book ?
How it facilitates the accounting work ?

4. What do you mean by Ledger ? Write any *two* dummy journal entries and do their ledger posting.
5. What is Trial Balance ? Why the debit and credit side of trial balance remains equal ? Explain.
6. Rectify the following errors assuming that suspense account was opened. Ascertain the different in trial balance.
- (i) Repairs on overhauling of machine part purchased worth Rs. 22,500 was debited to Repairs account as Rs. 20,500.
- (ii) Equipment purchased for Rs. 1,500 wrongly debited to Purchase Account as Rs. 5,500.
- (iii) Machinery purchased on credit from Anuj Enterprises for Rs. 7,500 recorded through Purchases Book as Rs. 5,700.
- (iv) Repairs on Machinery Rs. 2,400 debited to Machinery account as Rs. 1,400.

- (v) Sale of old machinery at book value Rs. 6,000 was credited to Sales Account as Rs. 7,000.
7. Why do we prepare Profit and Loss account and Balance Sheet ? Explain its importance to business.
8. What treatment for prepaid expenses appearing in the trial balance is done in final accounts ?
9. "Income Statement concentrates on operating part while funds flow statement throws light on the activities and the direction of operations." Comment.

Section-C

2×20=40

(Long Answer Type Questions)

Note :- Answer any *two* questions. You have to delimit your each answer maximum upto **500** words. Each question carries 20 marks.

10. What do you mean by Accounting Concepts and Convention ? Explain any *four* accounting concepts and any *four* conventions.

11. What are the subsidiary books ? Draw any *three* dummy subsidiary books.

12. What are the different methods of preparing Trial Balance ? Differentiate between these methods. What method is commonly used and why ?

13. The following were the transactions of a firm dealing in furniture :

2012		Rs.
March	Standard business with cash	2,20,000
1	Bank	8,00,000
	Furniture (goods)	5,00,000
3	Bought furniture from Ratan Bros.	2,00,000
4	Bought furniture for the office	1,00,000
6	Sold furniture of J. Mitra	2,00,000
8	Bought Furniture	1,80,000
10	Returned furniture to Ratan Bros.	5,000

12	J. Mitra returned furniture	20,000
14	Paid taxi fare	1,000
15	Sold to J. Kabiraj furniture for Rs. 50,000 less trade discount 10%	
17	Received commission from J. Das	1,500
18	Paid to Ratan Bros by cheque	1,00,000
19	Sent to bank	20,000
20	Received a cheque of Rs. 42,500 from J. Kabiraj in full settlement of his account	
22	Received a cheque of Rs. 50,000 from J. Mitra and deposited the same into bank.	
23	Loan to Naren	15,000

24	J. Mitra cheque dishonoured	
25	Furniture taken away for personal use	40,000
26	Received interest	1,000
27	Received dividend	2,500
29	Paid for postage stamps	500
30	Paid house rent by cheque	10,000
31	Cash withdrawn from bank	2,00,000
31	Paid salary	30,000
31	Paid for taxes	15,000

Journalise the above transaction in the books of the firm and show the ledger posting. Also prepare a trial balance as on March, 31, 2012.