

TUTOR MARKED ASSIGNMENT (2022)
Fundamentals of Accounting

Maximum Marks: 100

Weight age: 30%

Course Code: BPOI – 002/ 102

January 2022 session / July 2022 session

Note: This assignment covers all of **Course 2**. **All questions are compulsory.**
 Marks assigned to the questions have been shown in the bracket.

Q1. Fill in the blanks: (1x5=5)

- i. Profits prior to incorporation is regarded as -----
- ii. Assets are always valued at market price or cost price whichever is -----
- iii. The accounting entity is considered to be separate and apart from its -----
- iv. Cash book always shows a -----balance.
- v. Bank account is a ----- account.

Q2. True or False: (1x5=5)

- i. A transaction must be expressed in terms of money.
- ii. Journal is a book of original entry.
- iii. Outstanding rent account is a personal account.
- iv. Cash discount is given on credit sales.
- v. A promissory note is a bill payable for the payee.

Q3. Write short notes on: (In about 200 -250 words)

- i. Objectives of Accounting **(10)**
- ii. Bill of Exchange & Promissory Note **(10)**
- iii. Accounting Concepts **(10)**

Q4. Record the following transactions in Journal of Ram and post them into Ledger (20)

- i. Commenced business with cash Rs 7,00,000
- ii. Goods purchased from Ravi Rs 70,000
- iii. Goods returned to Ravi Rs 40,000
- iv. Interest paid to Meena Rs 30,000
- v. Commission received from Varun Rs 7,000
- vi. Sold goods to Kedar Rs 6,00,000
- vii. Discount allowed to Kedar Rs 30,000
- viii. Discount received from Ravi Rs 8,000
- ix. Furniture purchased on cash Rs 90,000
- x. Cash paid to Ravi Rs 8,000

Q5. Prepare Trading and Profit and Loss account for the year ended 31st Dec, 2021 and Balance Sheet as on that date from the following Trial Balance: (20)

| | Dr. (Rs) | Cr. (Rs) |
|-----------------------------------|---------------|---------------|
| Capital | | 10,000 |
| Cash | 1,500 | |
| Bank overdraft | | 2,000 |
| Purchases and Sales | 12,000 | 15,000 |
| Returns | 1,000 | 2,000 |
| Establishment expenses | 2,200 | |
| Taxes and Insurance | 500 | |
| Bad debts and Prov. for bad debts | 500 | 700 |
| Debtors and Creditors | 5,000 | 2,000 |
| Commission | | 500 |
| Deposits | 4,000 | |
| Opening stock | 3,000 | |
| Drawings | 1,400 | |
| Furniture | 600 | |
| B\R and B\P | 3,000 | 2,500 |
| Total | 34,700 | 34,700 |

Adjustments:

- Salaries Rs 100 and taxes Rs 200 are outstanding but insurance Rs 50 is prepaid.
- Commission Rs 100 is received in advance for next year.
- Depreciate furniture by 10%.
- Bad debts provision is to be maintained at Rs 1000.
- Interest Rs 210 is to be received on deposits and interest on Bank overdraft Rs 300 is to be paid.
- Stock on 31st December 2021 was Rs 4500.

Q6. From the following particulars of M/s PQR & Co., prepare a Single Column Cash Book (10)

2021

- | | |
|---------|--|
| March 1 | Commenced Business with Cash Rs 2, 00,000 |
| March 5 | purchased the goods for cash Rs 50,000 |
| " 7 | Sold goods for cash Rs 40,000 |
| " 12 | Purchased goods from Ajay on credit Rs 1, 00,000 |
| " 15 | Paid to Ajay Rs 70,000 |
| " 18 | Made cash sales Rs 80,000 |
| " 20 | Purchased furniture items for office use Rs 60,000 |
| " 25 | Paid wages Rs 3,800 |
| " 25 | Paid Rent Rs 4,000 |
| " 26 | Received Commission Rs 6,000 |
| " 28 | Withdrew money for personal use Rs 10,000 |
| " 30 | Paid salaries Rs 9,000 |

Q7. Journalize the following transactions

(2x5=10)

- | | | |
|------|---|-------------|
| i. | Sold Goods to Ankit brothers on January 15, 2021 | Rs 60,000 |
| ii. | Bought goods on account from KR & Co. on January 19, 2021 | Rs 2,00,000 |
| iii. | Purchased goods from Rohit brothers on January 25, 2021 | Rs 40,000 |
| iv. | Paid salaries on June 5, 2021 | Rs 60,000 |
| v. | Received interest on investments on June 7, 2021 | Rs 5,000 |

Last Date for Submission of Assignment (or as and when notified by the University)

For June TEE Exam

31st March

For December TEE Exam

30th September