

PGIIS - N 1130 A-2K14**M.Com. IInd Semester (CBCS) Degree Examination****Commerce****(Accounting Systems)****Paper: HC 2.2****(New)****Time: 3 Hours****Maximum Marks: 80****SECTION - A****1. Answer all the sub-questions. Each sub question carries TWO marks.****(10 × 2 = 20)**

- a) What do you mean by accounting?
- b) What is going concern concept?
- c) Define accounting standard.
- d) State the need of preparation of trial balance.
- e) What are the types of cash books?
- f) Define depreciation.
- g) What is green accounting?
- h) Distinguish between holding gain and operating gain.
- i) What do you mean by revenue measurement?
- j) What is corporate Financial reporting?

SECTION - B**Answer any three questions. Each question carries FIVE marks.****(3 × 5 = 15)**

2. Briefly explain the important accounting conventions.
3. What are the features of subsidiary books? What are their advantages in accounting?

4. Explain the various revenue recognition criteria in accounting?
5. Briefly explain the benefits global accounting standards.
6. A firm has purchased a plant at cost Rs. 72,000 on 1-4-2009. It has an estimated life of five years change depreciation on a plant at the rate at 20% on reducing balance method. Prepare plant account for five years.

SECTION - C

Answer any THREE questions. Each question carries 15 marks. (3 × 15 = 45)

7. Define accounting concepts. Explain the important accounting concepts.
8. Explain the various methods of accounting of human resources.
9. Discuss the legal requirements relating to financial reporting in India.
10. From the following trial balance, prepare the trading, profit and loss A/C and Balance sheet as at 31-3-2014

Particulars	Debit (Rs.)	Credit (Rs.)
Capital	_____	4,00,000
Machinery	2,00,000	_____
Building	4,00,000	_____
Debtors	1,00,000	_____
Trade Expenses	3,000	_____
Opening stock	80,000	_____
Salary	40,000	_____
Rent	22,000	_____
Bad debts	5,000	_____
Discount	4,600	5,600
Returns	7,600	16,000
Sales	_____	7,80,000

Particulars	Debit (Rs)	Credit (Rs.)
Purchases	4,00,000	_____
Commission	_____	2,600
Furnitures	20,000	_____
Provision for doubt ful debts	_____	8,000
Wages	70,000	_____
Carriage	5,000	_____
Bank overdraft	_____	30,000
Creditors	_____	1,20,000
Cash	5,000	_____
	<u>13,62,200</u>	<u>13,62,200</u>

Adjustments:

- Depreciate machinery at 10% and furniture at 5%.
 - Salary prepaid to the extent of Rs. 1000
 - Rent is outstanding to the extent of Rs.2000
 - Interest on Bank overdraft outstanding Rs. 4500
 - Provide 6% on sundry debtors for doubtful debt
 - Value of closing stock is Rs. 250000.
11. On 1st April, 2008, a new plant was purchased for Rs. 40000 and a sum of Rs. 2000 was spent on its installation. On 1st october 2010, another plant was acquired for Rs. 25000. Due to an accident on 1st January 2011, the first plant was totally destroyed and the remainent was sold for Rs. 1000 only on 21st January 2012 a second plant was purchased for Rs. 30000 and a sum of Rs. 5000 was spent for bringing the same to use from 15th March 2012.

Depreciation has been provided at 10% on straight line basis. It was the practice to provide depreciation for the full year on all acquisition made at **any time** during any year and to ignore depreciation on any item sold or **disposed** of during the year. None of the assets were insured. **The accounts** were closed annually on 31st March. It is now decided to follow the rate of 15% on reducing balance method with retrospective effect in respect of existing item of plant and to make necessary adjustments entry on 1st April 2012. .

Prepare plant Account and depreciation provision account for all the years.