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**Final First Year Question Paper**  
(2017-18)  
Commerce - I / First Year

**Time: 3 Hours**

**Max. Marks: 100**

**Part-I (Marks-50)**  
**Section-A**

**I- Answer the following question in 40 Lines each. Answer any two** (2X10=20)

1. What do you mean by sole Trading Business? State its Advantages & Disadvantages?
2. What is Joint stock Company? State the features of it.
3. What is Business finance? Explain the need and significance of Business finance in organizations.

**Section-B**

**II- Answer Any four of the following questions in not exceeding 20 lines** (4X5=20)

4. Define Business. What are its characteristics?
5. What is Industry & explain various types of Industries?
6. Explain the contents of Partnership deed.
7. Differentiate between a Share and debenture.
8. Define MSME'S and explain the Significance of MSME's
9. State the 5 demerits of MNC's to host country.

**Section-C**

**III- Answer any five of the following in not exceeding 4 lines each** (5x2=10)

10. Profession
11. Commerce
12. Kartha
13. Fixed Capital
14. Chartered Company
15. Minimum Subscription
16. E-Business
17. Globalisation

**Part-II (Marks-50)**  
**Section-D**

**IV. Answer the following questions** (1X20=20)

18. From the following Trial balance of Mr. Basith prepare Trading, Profit and Loss A/c and balance sheet for the year ending.

**Trial Balances**

| <b>Debit balances</b> | <b>Amount</b> | <b>Credit balances</b> | <b>Amount</b> |
|-----------------------|---------------|------------------------|---------------|
| Purchases             | 3,700         | Sales                  | 10,000        |
| Opening Stock         | 6,000         | Capital                | 20,000        |
| Wages                 | 800           | Bill Payable           | 5,000         |
| Carriage              | 700           | Commission             | 1,900         |
| Salaries              | 600           | Creditors              | 3,000         |
| Discount              | 400           | Bank Overdraft         | 1,000         |
| Rent                  | 800           |                        |               |
| Furniture             | 8,000         |                        |               |
| Speed Post Charges    | 400           |                        |               |
| Advertisement         | 800           |                        |               |
| Custom duty           | 500           |                        |               |
| Factory insurance     | 300           |                        |               |
| Machinery             | 10,000        |                        |               |
| Bad Debts             | 900           |                        |               |
| Debtors               | 7,000         |                        |               |
|                       | <b>40,900</b> |                        | <b>40,900</b> |

**Adjustments:**

1. Value of closing Stock Rs.4500
2. Prepaid wages Rs.200

3. Outstanding Rent Rs.200  
4. Depreciation on Machine 10% and on furniture 5%

**Section-E**

**I-Answer any one of the following**

**(1X10=10)**

19. Prepare three column Cash Book from the following particulars.

| 2017   |  | Rs.    |
|--------|--|--------|
| Jan 01 | Cash In hand   | 20,000 |
|        | Cash at Bank   | 5,000  |
| Jan 02 | Salaries paid  | 6,000  |
| Jan 03 | Cash deposited into bank                                     | 5,000  |
| Jan 04 | Cash Sales   | 30,000 |
| Jan 06 | Cash received from Ravi                                      | 1,900  |
|        | Discount allowed   | 100    |
| Jan 08 | Sold goods and received a cheque (Deposited on the same day) | 10,000 |
| Jan 15 | Purchased furniture and issued a cheque                      | 1,000  |
| Jan 20 | Paid to Mohan by cheque                                      | 1,800  |
|        | Received discount  | 200    |
| Jan 25 | Withdraw cash from bank for personal use                     | 2,000  |

20. Prepare Bank Reconciliation Statement of Mr. Raheem as on 31-3-2017.

- a) Overdraft balance as per Cash Book 15,000  
b) Directly deposited by a customer in our bank A/c 4000  
c) Interest credited in the passbook only 1,000  
d) Cheque issued but not presented for payment 5,000  
e) Bank charges debited in Pass Book only 200  
f) Cheque deposited in Bank but not credited 8,000

**Section-F**

**Answer Any Two of the following Questions**

**(2X5=10)**

21. Explain the principle of Debit and Credit of different accounts with suitable examples.

22. Prepare subsidiary Books with the following information

| 2017    |                                      | Amount   |
|---------|--------------------------------------|----------|
| June 1  | Good Sold to Lakshmi                 | 15,000   |
| June 2  | Sales Made to varumathi (T.D @10%)   | 10,000   |
| June 4  | Bought goods from Kumari             | 9,000    |
| June 5  | Purchaser from Sri Hari              | 4,200    |
| June 12 | Goods sold to Radhika                | 2,000    |
| June 13 | Goods sold to Arun and received cash | 12,000   |
| June 15 | Purchased machinery from Vidhya      | Rs.6,000 |

23. Prepare Hari account in the books of Giri from the following transaction. 2017

| 2017    |                             | Amount |
|---------|-----------------------------|--------|
| Sept 1  | Balance due to vikram       | 4,400  |
| Sept 4  | Purchased goods from Vikram | 1,500  |
| Sept 10 | Sold goods to Vikram        | 1,200  |
| Sept 15 | Received Cheque from Vikram | 1,000  |
| Sept 26 | Paid cash to Vikram         | 100    |
| Sept 28 | Vikram returned goods       | 200    |
| Sept 29 | Purchased goods from Vikram | 500    |

Vikram Account settled with 5% Discount

24. Explain Various kinds of Errors

**Section - G**

**Answer Any Five of the following**

**(5x2=10)**

25. Business Entity concept  
26. Book Keeping

27. Contra Entry  
 28. Suspense Account

29. Journalise the following transactions.

| 2017   |                              | Rs.    |
|--------|------------------------------|--------|
| Dec1   | Commenced Business with Cash | 50,000 |
| Dec 10 | Sold goods to Amer for Cash  | 5,000  |
| Dec 20 | Received Interest from Imran | 3,000  |
| Dec 25 | paid salaries                | 4,000  |

30. Write up the Opening Entry from the following balances.

|                    | Amount (Rs.) |
|--------------------|--------------|
| Cash               | 30,000       |
| Land and Buildings | 50,000       |
| Furniture          | 25,000       |
| Bills Receivables  | 8,000        |
| Debtors            | 12,000       |
| Creditors          | 5,000        |
| Bills Payables     | 7,000        |
| Bank Overdraft     | 15,000       |

31. Prepare a Trial balance from the following Particulars as on 31.12.2017

| Particulars   | Amt(Rs) | Particulars | Amt(Rs) |
|---------------|---------|-------------|---------|
| Opening Stock | 10,000  | Purchases   | 20,000  |
| Sales         | 30,000  | Debtors     | 20,000  |
| Creditors     | 10,000  | Salaries    | 5,000   |
| Cash          | 10,000  | Capital     | 25,000  |

32. Bank Reconciliation Statement.

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