

**NATIONAL COUNCIL FOR HOTEL MANAGEMENT  
AND CATERING TECHNOLOGY, NOIDA  
ACADEMIC YEAR 2015-2016**

COURSE : Diploma in Front Office Operation  
SUBJECT : Principles of Accounts  
TIME ALLOWED : 03 Hours MAX. MARKS: 100

(Marks allotted to each question are given in brackets)

Q.1. Journalise the following transactions in the books of Ms. Aggarwal:

1 Jan	Aggarwal commenced business with cash Rs.50,000/
2 Jan	Purchased goods for cash Rs.10,000/-
5 Jan	Purchase goods from Mohan on credit Rs.6,000/-
7 Jan	Paid into Bank Rs. 5,000/-
10 Jan	Purchased furniture Rs.2,000/-
20 Jan	Sold goods to Suresh on credit Rs.5,000/-
25 Jan	Cash sales Rs.3,500/-
26 Jan	Paid to Mohan on account Rs.3,000/-
31 Jan	Paid salaries Rs.2,800/-

(10)

Q.2. Explain subsidiary books. Write the names of various subsidiary books.

(10)

Q.3. Ramesh purchases a machinery Rs.21,000/- . Its estimated life is 5 years and the scrap value is Rs.1,000/-. Calculate the amount of depreciation on the basis of straight line method and prepare the machinery account for 2 years.

(10)

Q.4. Write in brief trading, profit and loss account.

(10)

Q.5. Explain briefly:

(a) Capital Expenditure	(b) Narration
(c) Invoice	(d) Depreciation
(e) Creditors	

(5x2=10)

Q.6. What is Balance Sheet? Why is it prepared?

(10)

Q.7. Enter the following transactions in three columns cash book:

		Amount in Rs.
1 Feb	Opening Balance	
	Cash	35,000/-
	Bank	45,000/-
2 Feb	Received a cheque from Mohan after a discount of and deposited into bank on the same day.	1450/- 50/-
3 Feb	Goods purchased for cash	2,500/-
4 Feb	Paid Mohan by cheque	11,500/-
5 Feb	Paid wages in cash	5,000/-
6 Feb	Interest collected by Bank	500/-
7 Feb	Cash sales	3,000/-

(10)

Q.8. Prepare a Bank Reconciliation Statement from the following data as on 31.03.2014:

	<b>In Rupees</b>
Balance as per cash book	12,500/-
Cheques issued but not presented for payment	900/-
Cheques deposited in bank but not collected	1,200/-
Bank paid insurance premium	500/-
Direct deposit by a customer	800/-
Interest on investment collected by bank	200/-
Bank charges	100/-

(10)

Q.9. **A** State True or False:

- Recording of financial transactions in a systematic manner is called book keeping.
- Difference between the selling price and cost price of the goods is the gross result.
- Trading and Profit & Loss account is prepared after preparing trial balance.
- Cash purchases are not recorded in purchase book.
- Furniture account is a real account.

**B** Classify the following under the personal, real or nominal accounts:

- (i) Salaries (ii) Furniture (iii) Mohan (iv) Rent (v) Building  
(5+5=10)

Q.10. Fill in the blanks:

- (a) The debts which are definitely known to be irrecoverable is called \_\_\_\_\_.
- (b) Amount taken from capital of the business for personal purposes of the proprietor is called \_\_\_\_\_.
- (c) Credit purchases of goods are recorded in \_\_\_\_\_ book.
- (d) Assets acquired for permanent use of the business is called \_\_\_\_\_.
- (e) Debit the receiver and \_\_\_\_\_ the giver.
- (f) \_\_\_\_\_ sales are not recorded in sales book.
- (g) In double entry system, for every debit, there must be correspondent \_\_\_\_\_ of equal amount vice versa.
- (h) Trial balance is a statement of debit and \_\_\_\_\_ totals.
- (i) The entry which appears on both side of cash book is called \_\_\_\_\_.
- (j) A person is called insolvent when his liabilities exceed his \_\_\_\_\_.

(10x1=10)

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