

SRI VENKATESWARA UNIVERSITY
TIRUPATI

Multidisciplinary Course

w.e.f. AY2026-27

SEMESTER-III

PRINCIPLES OF ACCOUNTING

Credits:2

2 hrs/week

Unit-I:

Need for Accounting, Definition, Objectives, GAAP, Accounting Cycle, Classifications of Accounts and its Rules, Book Keeping and Accounting, Double Entry Book-Keeping, Journalizing.

Unit-II:

Types of subsidiary Books, Cash Book, Three column Cash Book-Petty Cash Book (Including Problems), preparation of Trail Balance, Errors, Meaning, Types of Errors.

Unit- III:

Need for Bank Reconciliation, Reasons for Difference between Cash Book and Pass Book Balances, Preparation of Bank Reconciliation Statement with positive balances, **(NO Overdraft balances)**, Trading, Profit and Loss Account and Balance Sheet.

Format of Model Question Paper
Semester-wise Syllabus under CBCS
(w.e.f. **2026-27**)
SEMESTER - III
COURSE: PRINCIPLES OF ACCOUNTING

Time: 1.30 hrs

Max. Marks 50

Answer any Five of the following

5 X 10=50 M

1. Explain the objectives of accounting. How does accounting provide useful information for Decision- making?
2. What is double entry system? Write its principles?
3. Journalize the transactions in the books of Ramu

May	1	2025	Started Business with Cash Rs. 70,000
	2		Purchased goods for cash Rs. 20,000
	3		Sold goods for cash Rs. 15,000
	5		Sold goods on cash to Ravi Rs 12,000
	10		Cash deposited into Bank Rs 15,000
	12		Purchased goods from Madhu on credit Rs 23,000
	15		Goods sold to Nagaraju Rs 18,000
	18		Rent Paid Rs. 6,000
	31		Paid salaries by cheque Rs 5,000
	31		Withdrawn cash from bank for personal use Rs 2,000

4. What are the different types of subsidiary books in accounting? Provide a brief description of each.

5. Prepare Three Column Cash Book from the following Transactions:

2025 April 1. Cash in hand	32,000
Balance at Bank	55,000
2. Goods purchase from Ravi kanth	20,000
3. sales	12,000
7. purchases	8,000
8. Cash deposited in Bank	10,000
10. Cheque Issued to Ravi kanth for full settlement	19,500
12. Cash sales	12,000
15. Cash withdrawn from bank	5,000
18 .Paid salaries through cheque	4,500
22 Amount withdrawn from bank for use in office	1,600
25 Cash withdrawn for personal use	4,000
30. Rent paid	2,500

6. Define what a trial balance is and state its importance in accounting.

7. Prepare trial balance from the following balances:

Purchases	32,000	loose tools	2,400
discount allowed	2,600	sundry expenses	110
Wages	13,000	loan on mortgage	6,100
Sales	60,000	Vehicles	1,000
Salaries	4,000	opening stock	11,500
travelling expenses	1,000	Capital	21,310
Carriage	550	sundry debtors	6,500
Insurance	300	sundry creditors	4,000
commission paid	650	Machinery	3,300
rents and rates	1,000	general expenses	2,100
cash at bank	5,450	Repairs	3,900
cash at hand	50		

8. Explain the causes for difference between cash book and pass book?

9. Prepare Bank Reconciliation Statement as on 31.03.2025 from the following:

a. Balance as per cash Book	25,000
b. Cheques issued , but not presented for payment	12,000
c. Cheques deposited, but not collected	15,500
d. Interest credited in passbook only	550
e. Wrong Credit in Pass book	3,600
f. Bank charges Debited in passbook only	320

10. Explain briefly different types of errors?