

General Instructions

1. This question paper contains 23 questions
2. All the questions are compulsory
3. Questions 1-8 carry 1 mark each
4. Questions 9-12 carry 3 marks each
5. Questions 13-17 carry 4 marks each
6. Questions 18-21 carry 6 marks each with internal choice.
7. Questions 22-23 carry 8 marks each with internal choice.

Section A

Q1: Point out the correct accounting equation:

- a) $\text{Assets} = \text{Liabilities} + \text{capital}$
- b) $\text{Liabilities} = \text{capital} + \text{Assets}$
- c) $\text{Capital} = \text{Assets} + \text{Liabilities}$
- d) $\text{Liabilities} = \text{Assets} + \text{Capital}$

Q2: Personal accounts are related to

- a) Assets
- b) Expenses, Losses and Income
- c) Customers, creditors
- d) Firms

Q3. A trail balance is a

- a) Real account
- b) Nominal account
- c) List of Balances
- d) None of these

Q4: Trial balance checks

- a) The arithmetical Accuracy of books
- b) The honesty of the Book-Keeper.
- c) Accuracy of the Book-Keeper.
- d) All of these.



Q5: Loss on sale of land is a:

- a) Capital loss
- b) Revenue loss
- c) Capital expenditure
- d) Revenue expenditure

Q6: Stock in trade is

- a) A current assets.
- b) Fixed assets
- c) An intangible assets
- d) A fictions assets

Q7: Closing stock is recorded at the:

- a) Balance sheet and trading account
- b) Balance sheet only.
- c) Profit and loss accounts.
- d) Deducted from the purchases in the trading account.

Q8: Prepaid expenditure is shown as

- a) An asset
- b) A liability
- c) An expense
- d) Expenditure

Section B

Q9: What is the difference between Book-Keeping and Accounting (Give Three Points)

Q10: Define the following terms

- i) Debtors
- ii) Drawings
- iii) Liability
- iv) Capital

Q11: Explain any two Accounting Principles.

Q12: Explain in brief the following accounting concepts

- a) Business Entity Concept
- b) Dual-Aspect Concept



Section B

Q13: Prepare accounting equation on the basis of following.

- i) Imran commenced business with cash Rs. 12,00,00/-
- ii) Purchased Goods on credit Rs. 20,000/-
- iii) Purchased Machinery for Rs. 18,000/-
- iv) Sold Goods costing Rs. 11000/- for Rs. 13,000/-
- v) Cash paid to creditors

Q14: Prepare Trial Balance from the following balances as on 31st March, 2023.

| | |
|--------------------|----------------|
| Sales | = Rs. 60,000/- |
| Capital | = Rs. 12,200/- |
| Creditors | = Rs. 45,000/- |
| Adjusted Purchases | = Rs. 56,200/- |
| Fixed Liabilities | = Rs. 18,810/- |
| Debtor's | = Rs. 24,420/- |
| Machinery | = Rs. 16,500/- |
| Closing Stock | = Rs. 42,000/- |
| Freight | = Rs. 3,000/- |
| Delivery Van | = Rs. 14,000/- |
| Bank (Cr) | = Rs. 23,000/- |
| Discount Received | = Rs. 1,800/- |
| Clearing Charges | = Rs. 3,430/- |
| Return in word | = Rs. 1,260/- |

Q15: Give four points distinguish between Reserve and Provision

Q16: Prepare a trading account with Imaginary Figures.

Q17: Show the accounting treatment of following adjustments in financial statements.

- i) Outstanding expenses
- ii) Accrued Income
- iii) Depreciation
- iv) Bad debts.

Section C

Q18: Prepare triple column cash book from the following for the period ended 31st December, 2022.

2022

| | |
|---------|--|
| Dec. 1 | Balance of cash in hand Rs. 14,000/- and in bank Rs. 10,000/- |
| Dec. 7 | Received cash from Mohan Rs. 1,000/- and allowed him discount Rs. 30/- |
| Dec. 10 | Paid into the bank Rs. 2,000/- |
| Dec.12 | Paid to Divakr by cheque Rs. 320/- in full settlement of their account for Rs. 350/- |
| Dec. 17 | Received from cash sales Rs. 275/- and cheque Rs. 350/- |
| Dec. 20 | Paid for purchases by cheque Rs. 645/- |
| Dec. 25 | Paid by cheque to Ravi Rs. 725/- in full settlement of Rs. 800/- |
| Dec. 29 | Drew from bank for office use Rs. 900/- and Rs. 100/- for personal use. |

OR

From the following transactions, prepare Bhandari account.

| 2019 | Rs. |
|-------------------------------------|--------|
| Feb 1 Opening Balance (DR) | 1230/- |
| Feb 3 Sold goods to him | 6700/- |
| Feb 10 Received cash from him | 3000/- |
| Feb 15 He return goods | 500/- |
| Feb 22 Purchased furniture from him | 9000/- |
| Feb 25 Paid by cheque | 6000/- |

Q19: From the following particulars of Vipin Gulati write up the Sales Day Book.

2022

March 1: Sold on credit to Suresh Traders, Surat (Invoice No.1315)

- 25 Trousers @ Rs. 1200/- each
 - 12 T-Shirts @ Rs. 750/- each
- Trade Discount %/ Freight Rs. 500/-

March 10: Sold on credit to Dewan Fashions, Poona (Invoice No. 1316)

- 30 Capries @ Rs. 550/- each
 - 24 Tops @ Rs. 250/- each
- Trade Discount 8% Cartage Rs. 320/-

March 24: Sold on credit to Sharma Jeans, Agra (Invoice No. 1317)

- 20 Jeans @ Rs. 1600/- each
- 40 Shorts @ Rs. 625/- each

Trade-Discount 10% Freight Rs. 650/-

OR

Show the accounting equation on the basis of the following transactions.

- 1) Yasir started business with cash Rs. 80,000/-
- 2) Purchased goods from Arif Rs. 20,000/-
- 3) Goods costing Rs. 10,000/- sold to Shakil.
- 4) Withdrew Rs. 4,000/- for personal use.
- 5) Paid to creditors Rs. 12,500/-
- 6) Received commission Rs. 2,500/-

Q20: On 1st April, 2021, a plant is purchased for Rs. 25,600/-. Depreciation is to be provided at 25% p.a on written down value method. The turn in value of Plant at the end of its economic life of 4 years is expected to be Rs. 8,100/-. You are required to show plant account for 4 years when books are closed on 31st March every year.

OR

Define straight line method of depreciation with merits and demerits.

Q21: Prepare trading and profit and loss account in books of Sugandh for the year ended 31st March, 2022.

| Debit Balances | Amount in Rs. | Credit Balances | Amount in Rs. |
|-----------------------|----------------------|------------------------|----------------------|
| Stock on 01-04-2021 | 34,000/- | Sales | 72,000/- |
| Purchases | 65,000/- | Return outward | 6,000/- |
| Return inward | 8,000/- | Discount | 1,800/- |
| Cartage Inward | 6,000/- | Commission | 7,000/- |
| Advertisement | 18,000/- | | |
| Interest on Loan | 1,500/- | | |
| Custom duty | 2,500/- | | |
| Postage | 700/- | | |

On 31st March, 2022, the closing stock is Rs. 40,000/-

OR

From the followings figures, compile Provision for doubtful debts account as on 31st March 2020.

- * Provision for doubtful debt as on 1st April 2019: Rs 3,000/-
- * Bad debts written off during the year Rs. 5,000/-
- * Sundry debtors on 31st March, 2020 Rs. 50,000/-

Of the sundry debtors of Rs. 2,000/- was bad and the Provision for doubtful debts was to be maintained at 5% on sundry debtors. Also show the above figures in the Profit and Loss account and in the Balance sheet.

Section E

Q22: Journalise the following transactions:

| | | |
|---------|--|--------------|
| 2022 | | |
| Dec.1 | Commenced business with cash | Rs. 300000/- |
| Dec. 5 | Goods purchased from Sham and Co. | Rs. 50,000/- |
| Dec. 10 | Cash Sales | Rs. 80,000/- |
| Dec. 15 | Received interest on investment by Cheque | Rs. 15,000/- |
| Dec. 17 | Paid Salaries | Rs. 5,000/- |
| Dec. 19 | Cash withdrawn from bank for personal use | Rs. 20,000/- |
| Dec. 22 | Borrowed from Pooja | Rs. 10,000/- |
| Dec. 25 | Cash deposited into the bank | Rs. 25,000/- |

OR

Prepare a bank Reconciliation Statement:

- i) Debit balance of cash book on 31st December, 2022 Rs. 18,500/-
- ii) Cheques issued Rs.6000/- were not presented at bank by 31-12-2022
- iii) Cheques for Rs. 8000/- were deposited in the bank but were not cleared
- iv) A cheque of Rs. 2000/- received from Mr. X and deposited in the bank was dishonoured.
No advice for non-payment was received from bank till 01-01-2023.
- v) Bank received interest on Debentures Rs. 250/-
- vii) A cheque for Rs. 500/- entered into the cash book omitted to be banked.
- viii) The pass book shows a credit of Rs. 180/- for interest and a debit of Rs. 40/- for bank charges.

Q23: Prepare a Trading and Profit and Loss account and a balance sheet of Ramesh on 31st March, 2021.

| | Amount in Rs. | | Amount in Rs. |
|--|---------------|------------------|---------------|
| Debit Balances | | | |
| • Plant and Machinery | 10,000 | Discount | 800 |
| • Land and Building | 12,000 | Drawings | 1,000 |
| • Furniture | 5,000 | Bill Receivable | 4,000 |
| • Sundry debtors | 10,000 | Bad debts | 400 |
| • Trade expenses | 1,000 | Credit Balances | |
| • Depreciation | 2,000 | Capital | 50,000 |
| • Cash in hand | 10,000 | Sales | 90,000 |
| • Cash at bank | 15,000 | Sundry creditors | 12,000 |
| • Wages and Salaries | 6,000 | Purchases Return | 1,000 |
| • Repairs | 1,000 | Rent | 1,200 |
| • Purchases | 60,000 | Bills Payable | 3,000 |
| • Stock on 1 st April, 2020 | 20,000 | Interest | 1,000 |
| Closing Stock on 31st March, 2021 was valued at Rs. 14,000/- | | | |

OR

Prepare a Trading and Profit and Loss Account and a Balance Sheet from the following balances relating to the year ended 31st March, 2023.

| S.No. | Particulars | L.F | Debit Balance in Rs. | Credit Balance in Rs. |
|-------|---------------------------------|-----|----------------------|-----------------------|
| | • Opening Stock | | 8,000 | - |
| | • Purchases and Sales | | 35,000 | 80,000 |
| | • Return | | 2,000 | 3,000 |
| | • Drawings and Capital | | 8,500 | 25,000 |
| | • Furniture | | 15,000 | - |
| | • Interest | | - | 600 |
| | • Commission | | - | 2,000 |
| | • Discount | | 700 | 500 |
| | • Salaries | | 1,600 | - |
| | • Insurance | | 2,500 | - |
| | • Wages | | 1,200 | - |
| | • Building | | 20,000 | - |
| | • Postage | | 1,000 | - |
| | • Bill receivable and Payable | | 5,000 | 1,400 |
| | • Debitor's and Creditor's Cash | | 9,600 | 2,000 |
| | | | 4,400 | - |
| | | | 1,14,500 | 1,14,500 |

Adjustments:

- I. Closing Stock on 31-03-2020 was valued at Rs. 12,500/-
- II. Insurance prepaid is Rs. 100/-
- III. Commission received in advance is Rs. 400/-
- IV. Interest Rs. 50/- has been earned but not yet received.
- V. Salaries outstanding Rs. 500/- and wage's outstanding Rs. 80/-

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