
SECTION –A

I. Answer all of the following questions. Each carries one marks

1. Accounting begins with the identification of transactions and ends with the preparation of _____ Statements.
2. A concept that a business enterprise will not be sold or liquidated in the near future is known as:
 - i. Going Concern.
 - ii. Economic Entity.
 - iii. Monetary Unit.
 - iv. None of the above.
3. The process of recording transactions in Journal is called _____
4. Ledger records transactions in _____.
 - i. Chronological order.
 - ii. Analytical order.
 - iii. Both a and b above.
 - iv. None of the above.
5. Trial Balance is a Statement. (State True or False)
6. A bill is drawn on 1/04/2017 for 3 months. Find out the date of Maturity.
7. How do you treat interest on capital while preparing Profit and Loss Account?
8. Why the Statement of Affairs is prepared?
9. Expand AIS.
10. Give an example for Accounting Software.

SECTION – B

II. Answer all of the following Question. Each carries two marks

11. State any two users of accounting.
12. What do you mean by accounting concepts?
13. Mention any two features of Ledger.
14. What is Bank reconciliation statement?
15. State any two methods of preparing Trial Balance.
16. Machinery Purchased for Rs.12,000 has a estimated life of 10 years and the scrap value is Rs.2,000. Find out the annual depreciation if Straight Line method is adopted.
17. State any two objectives of preparing financial statements.
18. State any two elements of computer.

SECTION –C

III. Answer all of the following Question. Each carries six marks

19. Prepare accounting equation from the following.

(a)Ramesh started business with cash	2,50,000
(b)He purchased Furniture for cash	35,000
(c)He paid commission	2,000
(d)He purchased goods on credit	40,000
(e) He sold goods (costing Rs.20,000)for cash	26,000
(f)He paid Salary to workers	2,000

20. Enter the following transactions in an **Analytical Petty Cash Book** under imprest system:

Date	Transaction	Amount
2015 Jan 01	Received Cheque from Cashier	500
08	Paid for postage	100
12	Wages paid	150
19	Stationery Purchased	75
20	Cartage paid	25

21. Enter the following transactions in the sales book. 2016
- Sept.01. Sold to Arun and co. 20 bags of rice @ Rs.5,000/- per bag.
 - Sept.10. Mohan bought from us 10 bags of sugar of Rs. 3,000/- per bag at 5% Trade discount.
 - Sept.15. Sold to Raju 2 bags of wheat at Rs.2,000/ per bag for cash.
 - Sept.20. Sold to Bombay refreshments 5 bags of wheat flour at Rs. 700/ per bag at 10% discount.
 - Sept.25. Rahul bought from us 8 kg. Tea powder at Rs. 800/ per kg.
22. Rectify the following errors.
- a) An amount of Rs.1,000 spent on repairs to machinery has been debited to machinery account.
 - b) An amount of Rs.2,000 withdrawn by the proprietor has been debited to office expenses account.
 - c) A sum of Rs.3,000 received from Radha has been credited to Sudha.
 - d) An amount paid towards salary of Rs.4,000 has been debited to Rent account.
 - e) Extension to building Rs.50,000 has been debited to repairs account.
 - f) Furniture purchased for Rs. 10,000 has been debited to Purchases account.
23. Compute **cost of goods sold** for the year 2017:

Particulars	Amount (Rs.)
Sales	2,00,000
Purchases	1,50,000
Wages	10,000
Stock on 01/04/2016	30,000
Stock on 31/03/2017	40,000
Carriage inwards	10,000

24. Find out the Credit Sales by preparing **Total Debtors A/c**:

Particulars	Amount (Rs.)
Opening Debtors	40,000
Closing Debtors	50,000
Cash received from Debtors	2,00,000
Discount allowed	2,000
Sales returns	8,000

25. **Distinguish** between Manual Accounting System & Computerized Accounting System.

SECTION –D

IV. Answer all of the following Questions. Each carries twelve marks

26. **Journalise** the following transactions in the books of Shri Ganesh:

Date	Transactions	Amount
2017 April 01	Started business with cash	80,000
April 03	Opened Bank A/c with SBI	20,000
April 06	Cash Purchases	10,000
April 09	Sold goods to Mohan	20,000
April 12	Goods returned from Mohan	2,000
April 15	Cash received from Mohan in full settlement of his account	17,500
April 18	Received commission	1,000
April 20	Drew from Bank for personal use	2,500
April 25	Paid rent by cheque	4,000
April 28	Purchased furniture from Manohar	8,000
April 30	Paid for salary	6,000

27. From the following transactions, prepare **Double Column Cash Book**.

Date	Transactions	Amount
2017 July 01	Cash in hand	27,500
	Cash at bank	15,000
July 03	Purchased goods for cash	3,000
July 05	Received cheque from Anand	8,000
July 08	Sold goods for cash	6,000
July 10	Anand's cheque deposited into Bank	-----
July 12	Paid for carriage	1,000
July 18	Drew cash from Bank for office use	2,000
July 24	Received commission by cheque	5,000
July 28	Withdrew cash for personal use	1,000
July 30	Paid rent	2,000

28. From the following information, prepare Bank Reconciliation Statement:

Sl.No	Particulars	Amount
1.	Bank Balance as per Pass Book.	42,000
2.	Cheques paid into Bank, but not credited in Pass book.	3,800
3.	Cheques issued , but not presented for payment.	4,500
4.	Interest on Investments collected by Bank and credited in Pass Book.	2,500
5.	Bank charges debited in Pass Book.	200
6.	Direct deposit made by a customer to our Bank A/c appeared only in Pass Book.	6,000

29. On 01/04/2013, Santosh Company Ltd. purchased a Plant costing Rs.85,000 and spent Rs.15,000 for its erection. On 31/03/2015, the Plant was sold Rs.75,000. On 01/04/2015, a new Plant was purchased for Rs.50,000. The firm charges depreciation @ 10% PA under Straight Line Method. Accounts are closed on 31st March every year. **Prepare** : 1. Plant A/c and 2. Depreciation A/c for first 4 years.
30. On 01/04/2017, Prakash drew a Bill on Suresh for Rs.50,000 payable after 3 months. Suresh accepted the Bill and returned it to Prakash. On the same date, Prakash endorsed the Bill to Ramesh. On the above date, the Bill is discounted by Ramesh @ 12%pa. On the due date the Bill is honoured. Pass the **Journal Entries** in the books of Prakash, Suresh and Ramesh.
31. From the following ledger balances and adjustments, prepare **Trading A/c, Profit and Loss A/c and Balance Sheet**.

Trial Balance as on 31/03/2017

Sl.No.	Name of Accounts	Debit (Rs)	Credit (Rs)
1	Opening Stock	20,000	-----
2	Purchases & Sales	80,000	1,60,000
3	Returns	400	1,200
4	Wages	12,000	-----
5	Salary	9,000	-----
6	Miscellaneous Income	-----	12,000
7	Rent	-----	6,000
8	Drawings and Capital	4,000	80,000
9	Debtors and Creditors	12,000	14,000
10	Cash	6,000	-----
11	Investments	20,000	-----
12	Buildings	86,000	-----
13	Furniture	23,800	-----
	Total	2,73,200	2,73,200

Adjustments:

- Closing Stock was valued at Rs. 4,000.
- Depreciate furniture by 10 % pa. and building by 15% pa.

- Bad Debts written off Rs.500.
- Salary Outstanding Rs.1,000

32. Anand keeps his books under Single Entry System .From the following information, prepare Statement of Profit and Loss and Revised Statement of Affairs as on 31/03/2017.

Assets and Liabilities	01.04.2016(Rs.)	31.03.2017(Rs.)
Cash at Bank	8,000	10,000
Sundry Debtors	25,000	30,000
Machinery	20,000	20,000
Sundry Creditors	17,000	13,000
Furniture	10,000	10,000
Stock	18,000	28,000
Investments	-----	15,000
Bills Payable	3,000	4,000
Bills Receivable	15,000	12,000

During the year, Anand withdrew Rs.10,000 for his personal use and introduced a further capital of Rs.7,500.

Adjustments:

- Depreciate Machinery by 10% pa & Furniture by 12% pa.
- Provide for Bad and Doubtful Debts @5% on Sundry Debtors
- Prepaid Insurance Rs.500.
- Legal Expenses due but not paid Rs.1,000.

SECTION-E

(Practical Oriented Questions)

V. **Answer all the questions . Each question carries five marks.**

33. Write the Accounting Equation for each item and find the missing figure.

Sl.No.	Assets(Rs.)	Liabilities (Rs.)	Capital (Rs.)
a.	1,00,000	60,000	?
b.	90,000	?	45,000
c.	?	24,000	56,000

34. Prepare **Machinery A/c** for two years with imaginary figures under written Down Value method
