

Section – A

- I. Answer any Eight of the following questions each carrying one marks: 8 × 1 = 8**
1. State any two users of accounting information?
 2. The _____ concept requires that accounting transaction should be free from bias of accountants and others.
 3. Voucher is prepared from:
 - a) Journal entry b) Documentary evidence c) Ledger account d) All of the above.
 4. State true or false.
 - a) A contra entry appears on both side of cash book.
 - b) Assets sold on credit are entered in sales book.
 5. What do you mean by suspense account?
 6. State any two types of errors?
 7. Decrease or decline in the value of an asset is known as _____
 8. Who is a Drawee?
 9. Expand MIS.
 10. Database is implemented using _____

Section – B

- II. Answer any five of the following questions each carrying two marks: 5 × 2 = 10**
11. What do you mean by cost accounting?
 12. What is revenue recognition concept?
 13. Journal entry to record salaries will include
 - a) Debit salaries credit cash b) debit capital credit cash c) debit cash credit salary
 - d) debit salary credit creditors.
 14. State any two causes for difference between cashbook balance and passbook balance.
 15. What is an error of principle?
 16. A company purchased a Machinery for Rs 1,80,000 and spent Rs 10,000 for its installation. The estimated life of the Machinery is 5 years with a scrap value of Rs 15,000. Findout the amount of annual depreciation.
 17. Distinguish between capital and Revenue.
 18. State any 4 types of software.

Section – C

- III. Answer any four of the following questions each carrying six marks: 4 × 6 = 24**
19. Post the following transactions to the ledger of Lalitha traders.

2009

Jan 1	Commenced business with cash Rs 10,000
Jan 5	Goods purchased for cash Rs 3000
Jan 6	Cash sales Rs 2000
Jan 10	Purchased goods from Keshava Rs 1500
Jan 15	Sold goods to Madhava Rs 2500
 20. Prepare columnar petty cash book of M/S sharada traders for the month of Jan-2012 Under imprest system.

2012

Jan 01	Received cheque towards imprest petty cash book Rs 3000
Jan 02	Purchased postal stamps Rs 150
Jan 03	Purchased office files and papers Rs 300
Jan 04	Paid travelling expenses to Manager Rs 250
Jan 06	Paid carriage on parcel Rs 150
Jan 08	Paid for advertisement Rs 200
Jan 11	Paid Komal & Co, Rs 150
Jan 19	Paid for office cleaning Rs 100
Jan 26	Paid wages Rs 250
 21. Enter the following transactions in the purchase book of M/S Chetan Traders

- 2008
- Jan 1 Bought from Kumar, Bangalore
100 bags of rice at Rs 500 per bag.
- Jan 8 Purchased from Mandya Sugar Mills Ltd, Mandya
20 bags of sugar at Rs 400 per bag.
- Jan 15 Bought from Tata Tea co., Kerala
10 cases of tea at Rs 200 per case.
Less: Trade discount at 10%
- Jan 25 Bought from coffee day, Tumkur,
100 kgs of coffee at 100 per kg.
Less: Trade discount at 5%.

22. Prepare trial balance from the following particulars as on 31.12.2007

- | | |
|-----------------------------|--------------------------------|
| 1. Debtors Rs 30,000 | 11. Purchase returns Rs 2000 |
| 2. Creditors Rs 30,000 | 12. Sales returns Rs 1000 |
| 3. Bills receivable Rs 2000 | 13. Wages Rs 400 |
| 4. Bills payable Rs 4000 | 14. Salaries Rs 600 |
| 5. Cash Balance Rs 600 | 15. Drawings Rs 7000 |
| 6. Bank balance Rs 4200 | 16. Machinery Rs 10,000 |
| 7. Purchases Rs 40,000 | 17. Capital Rs 30,000 |
| 8. Sales Rs 60,000 | 18. Furniture Rs 10,000 |
| 9. Buildings Rs 20,000 | 19. Commission received Rs 400 |
| 10. Rent paid Rs 1000 | 20. Interest received Rs 400 |

23. Prepare trading account of Mr. Promodh from the following particulars pertaining to the year 2011-12

- Opening stock Rs 90,000
Purchases Rs 2,52,000
Returns inwards Rs 2000
Sales Rs 3,55,000
Returns outwards Rs 5000
Wages Rs 39,000

24. Yash keeps incomplete records. The following information is available from his books of accounts. Prepare combined statement of affairs as on 31.3.2009.

Particulars	1.4.2008	31.3.2009
Loan from Ram	-	6000
Furniture	20,000	20,000
Investments	-	12,000
Bills payable	-	4000
Creditors	28,000	32,000
Stock	44,000	38,000
Debtors	38,000	50,000
Bills receivable	20,000	-
Cash	8,000	20,000

25. Distinguish between manual and computerized accounting system.

Section – D

IV. Answer any four of the following question, each carrying twelve marks:

4x 12 = 48

26. Journalise the following transactions in the books of Mohan.

2013

- April 1 Invested in the business the amount received from father as presents Rs 60,000
- April 2 Received loan from Laxman Rs 10,000
- April 4 Bought goods from Rama Rs 3,500
- April 6 Sold goods to kishore Rs 4,600
- April 8 Goods returned by Kishore Rs 200
- April 10 Bought office furniture Rs 2000
- April 15 Cash withdrawn from business for personal use Rs 500
- April 20 Paid for electricity charges Rs 2000
- April 25 Opened a current account with syndicate bank Rs 10,000
- April 28 withdrew cash from bank for personal use Rs 400
- April 29 Commission received from Ashok Rs 150
- April 30 Rent paid by cheque Rs 2500

27. Enter the following transactions in a double column cash book of M/S Vinayaka enterprises for Jan 2012.

Jan 1	Cash in hand		4000
	Bank overdraft	3200	
Jan 5	Cash sales		9000
Jan 7	Purchased goods by cheque		2000
Jan 9	Purchased furniture for cash		2200
Jan 11	Cash paid to Mr. Rohit		2000
Jan 14	Deposited into bank		7000
Jan 16	Bank charged interest on overdraft		200
Jan 25	Sale of goods for cheque and sent to bank immediately		3000
Jan 27	Rent paid by cheque		800
Jan 28	Paid wages by cheque		500
Jan 29	Drew cash for personal use		500
Jan 30	Paid salary		1000
Jan 31	Interest collected by bank		1700

28. From the following particulars of Mr. Bharath. Prepare Bank Reconciliation statement as on Dec 31, 2012.

- Bank balance as per pass book Rs 40,000
- Cheques issued, but not presented for payment Rs 7000
- Cheques paid into bank, but not collected by the bank Rs 6000
- Intrested on investments amounting to Rs 1500 appeared only in the pass book.
- Direct deposit into the bank by a customer Rs 2000
- Interest on bank deposits Rs 4300 credited in the pass book only.
- Bank charges Rs 300 debited in the pass book only.

29. You are required to prepare the Machinery A/c and Depreciation A/c for 3 years ending 31.3.2013

- 'A' Machine was purchased on 1.4.2010 for Rs 40,000
- 'B' Machine was purchased on 30.6.2011 for Rs 30,000
- 'A' Machine was sold on 1.07.2011 for Rs 36,000
- 'C' Machine was purchased on 30.9.2012 for Rs 24,000

All the machines were depreciated at 10% p.a on the written down value method.

30. On 1st October 2012, Smitha draws a 3 months bill on Kavya for Rs 5000. Kavya accepts the bill and returns it to Smitha, Smitha endorses it to Anitha and Anitha endorses the bill to Manisha on 1st November 2012. Manisha discounts the bill for Rs 4500. At maturity, the bill is dishonoured and the noting charges incurred by Manisha's banker amount to Rs 100. Pass journal entries in the book of all parties.

31. From the following trail balance of Theja, prepare financial statements.

Sl.No	Name of Accounts	LF	Debit	Credit
1	Drawings and capital		15,000	1,20,000
2	Bills receivable		22,000	-
3	Machinery		20,000	-
4	Debtors and Creditors		60,000	58,000
5	Wages		39,000	-
6	Purchases and Sales		2,52,000	3,55,000
7	Commission		-	5,500
8	Rent and taxes		6,000	-
9	Stock		90,000	-
10	Salaries		10,500	-
11	Travelling expenses		2000	-
12	Insurance		600	-
13	Repairs		3400	-
14	Bad debts		3500	-
15	Furniture		9,000	
16	Returns		5000	2000
17	Cash in hand		500	-
18	Cash at bank		2000	-
			5,40,500	5,40,500

Adjustments:

- Closing stock Rs 1,00,000
- Create provision for bad debts @ 5%

3. Prepaid Insurance Rs 100
 4. Commission earned but not received Rs 500
 5. Wages and salaries are unpaid to the extent of Rs 1000 and Rs 1500 respectively
 6. Depreciate Machinery at 5% and furniture by 10% p.a
32. Mr. Chethan, a retail trader, has not kept his books under double entry system. The following information is available from his books.

Particulars	1.1.2014	31.12.2014
Stock in trade	16,700	18,500
Sundry creditors	15,400	14,000
Sundry debtors	11,200	10,500
Cash in hand	250	1200
Bills receivable	15,050	14,200
Bank overdraft	20,200	19400
Fixtures	1500	1500
Motor van	1900	1900

Drawings during the year amounted to Rs 2600. Depreciate fixtures by 10%, write off Rs 300 from the value of motor van. As regards debtors, it is ascertained that Rs 500 bad and a reserve 5% for doubtful debts is to be created. Further, a reserve of Rs 700 in respect of bills receivable is to be made.

Section – E
(Practical – Oriented Questions)

V. Answer any two of the following question, each carrying five marks: 2× 5 = 10

33. Write the accounting equation and find out the missing figures.

Amount	Capitals	Liabilities
2,00,000	?	80,000
?	1,00,000	70,000
3,50,000	1,50,000	?

34. Prepare a machinery account for two years with imaginary figures under straight line method.
35. Prepare a balance sheet with five imaginary figures.
