## SECTION -A

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

1. has written a book called 'SUMMA' in 1494.
2. Expand ICAI.
3. All accounts are divided into five categories. (State True/False).
4. Name any one type of transaction recorded in the Journal Proper.
5. Give an example for an error which affects the Trial Balance.
6. Who signs a bill of exchange at the time of making the bill?
a) Drawer
b) Drawee
c) Payee
d) None of these
7. Give the meaning of Adjustment?
8. Incomplete records are generally used by.
9. Which of the following is not a feature of Computer?
a) Speed
b) Accuracy
c) Memory
d) Intelligence
10. State any one accounting packages.

## SECTION - B

II. Answer all of the following Question. Each Question carries two marks
11. Distinguish between trade discount and cash discount.
12. State any two benefits of convergence of IAS with IFRS.
13. What is balancing of an Account?
14. Why is Amended Cash Book prepared?
15. Give the meaning of balance method of preparing the trial balance.
16. State any two differences between Straight Line Method and Diminishing Balance Method.
17. What is meant by Marshalling of Assets and Liabilities in the Balance Sheet?
18. State any two units of CPU.

## SECTION -C

III. Answer all the following Question. Each Question carries six marks
19. Classify the following Accounts into Assets, Liabilities, Capital, Expenses/Losses and Revenue/Gains:
a) Cash account
b) Purchase account
c) Drawings account
d) Computer account
e) Buildings account
f) Salary account
g) Interest on Investment account
h) Sales account
i) Outstanding Salary account
j) Creditors account
I) Bills Receivable
k) Purchase return account account
20. Record the following transactions in double column cash book for the month of August 2016 and balance it:

| Date | Particulars | Amount (Rs.) |
| :--- | :--- | ---: |
| August 01 | Cash Balance | 20,000 |
|  | Bank Balance | 15,000 |
| August 08 | Paid into bank | 5,000 |
| August 10 | Cash Sales | 18,000 |
|  | Cash Discount | 180 |
| August 12 | Paid telephone bill by cheque | 1,500 |
| August 21 | Payment for cash purchases | 4,000 |
|  | Cash Discounts | 40 |

21. Prepare Petty Cash book from the following particulars under Imprest System for the month of September
2016 and balance the same:

| Date | Particulars | Amount (Rs.) |
| :--- | :--- | ---: |
| September 01 | Main cashier issued a cheque to petty <br> cashier | 400 |
| September 02 | Paid electricity charges | 55 |
| September 06 | Trunk call charges | 40 |
| September 08 | Paid Railway Freight | 75 |
| September 26 | Paid charity | 70 |

22. From the following particulars of Mr. Prakash, prepare Trial Balance as on 31-03-2017:

| SI.No | Particulars | Balance (Rs) |
| :---: | :--- | ---: |
| 1 | Mr. Prakash's Capital | $15,16,000$ |
| 2 | Debtors | $1,00,000$ |
| 3 | Purchases | $5,00,000$ |
| 4 | Sales | $6,00,000$ |
| 5 | Return Inwards | 4,000 |
| 6 | Land and Buildings | $12,60,000$ |
| 7 | Drawings | $1,00,000$ |
| 8 | Interest received | 18,000 |
| 9 | Opening Stock | $1,20,000$ |
| 10 | Goodwill | 50,000 |

23. From the following information, calculate Gross Profit and Operating Profit for the year ending $31^{\text {st }}$ March 2016:

| Particulars | Amount (Rs.) |
| :--- | ---: |
| Opening Stock | $1,00,000$ |
| Net Sales | $24,00,000$ |
| Net Purchases | $12,00,000$ |
| Direct Expenses | $1,20,000$ |
| Operating Expenses | $2,20,000$ |
| Closing Stock | $1,40,000$ |

24. Prepare Total Debtors Account and find out the missing figure:

| Particulars | Amount (Rs.) |
| :--- | :--- |
| Debtors as on 01/01/2015 | 35,000 |
| Debtors as on 31/12/2015 | 42,000 |
| Return inwards | 2,000 |
| Bad Debts Recovered | 1,000 |
| Cash received from Debtors | 50,000 |
| Bills receivable received from <br> Debtors | 20,000 |
| Discount to customers | 3,000 |

25. Write any six differences between ready-to-use and tailored accounting software.

## SECTION -D

IV. Answer all of the following Questions. Each Question carries twelve marks
26. Journalize the following transactions:

| 2017 January 01 | $\begin{array}{c}\text { Commenced Business with cash Rs.5,000, Stock of Goods Rs.20,000, } \\ \text { Machinery Rs.10,000 and Bills Payable Rs.1,000. }\end{array}$ |
| :--- | :--- | :--- |
| 2017 January 02 | Borrowed Rs.5,000 from Arun and Rs.10,000 from Bharat. |
| 2017 January 05 | Purchased Goods from Charan Rs.4,000 and from Dhanaraj Rs.6,000. |
| 2017 January 15 | Sold goods to Hari Rs.8,000 and to Govind Rs.4,000. |
| 2017 January 20 | Received Cash from Hari Rs.7,500 and allowed him discount of Rs.500 |
| 2017 January 25 | Paid Salary Rs.2,000 and Rent Rs.1,000. |
| 27. Enter the following transactions in proper subsidiary books for the month of August |  |
| 2017: August 01 Purchased Goods from Sharath Rs.3,500. |  |
| August 02 Bought from Kiran Rs.4,500 on account, less $10 \%$ trade |  |
| discount. August 04 Sold goods to Aswin Rs.4,500. |  |


| August 06 | Returned defective goods to Kiran Rs.1,000 (gross). |
| :---: | :---: |
| August 07 | Sold goods to Sundar Rs.4,000. |
| August 10 | Credit sales to Raju and sons Rs.15,000. |
| August 12 | Sundar returned defective goods Rs.1,000. |
| August 15 | Credit purehases from Anand Rs.10,000. |
| August 18 | Dinesh bought goods from us on account Rs 5,000. |
| August 19 | Cash sales to Vinay Rs. 3,000 |
| August 24 | Sent a credit note to Dinesh Rs. 1,000 |
| August 25 | Bought 15 units from Jayanth at Rs. 200 per unit. |
| August 31 | Returned to Jayanth 2 damaged units. |
| From the following particulars, prepare Bank Reconciliation State <br> 3. Cheque deposited into bank but not collected Rs.4,000. <br> 4. Dividend on shares collected by the bank and credited in the <br> 5. Electricity bill is paid by the banker and debited in the pass b 6 Interest on bank deposits Rs.2,500 and Bank Charges Rs. 50 On $1^{\text {st }}$ April 2014 a company purchased a new machine for R installation. On $30^{\text {th }}$ September 2015 it purchased another mach 2017 the company sold the machinery which was purchased on and depreciation account for 3 years in the books of the company March every year. <br> On $1^{\text {st }}$ January 2017 Vijay drew a three months bill of Rs. 2,50 discounted the bill with his banker at $10 \%$ p.a. On the due dat charges of Rs. 100 were paid. Pass journal entries in the books of From the following Trial Balance of Narendra, prepare his Trading year ending $31^{\text {st }}$ March 2017 and a balance sheet as on that date |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |


| Name of the Accounts | Debit (Rs) | Credit (Rs) |
| :--- | ---: | ---: |
| Opening Stock | 36,000 |  |
| Purchases and Sales | $2,04,000$ | $3,26,000$ |
| Drawings and Capital | 24,000 | $1,25,000$ |
| Carriage Outwards | 8,000 |  |
| Bills Receivable and Bills <br> Payable | 18,000 | 20,000 |
| Investments | 10,000 |  |
| Salaries | 38,000 |  |
| Wages | 33,000 |  |
| Sundry Debtors and Creditors | 40,000 | 50,000 |
| Buildings | 50,000 |  |
| Insurance and Taxes | 8,000 |  |
| Commission | 6,000 | $7,4,000$ |
| Returns | 60,000 |  |
| Plant and Machinery | 17,000 |  |
| Cash and Bank | $\mathbf{5 , 5 2 , 0 0 0}$ | $\mathbf{5 , 5 2 , 0 0 0}$ |
| Bank Overdraft |  |  |
| TOTAL: |  |  |

## Adjustments:

1. Closing stock valued at Rs. 52,000 .
2. Outstanding interest on bank overdraft Rs.1,000 and Outstanding Salary Rs.2,000.
3. Commission accrued Rs.1,000.
4. Depreciate plant and machinery at $10 \%$.
5. Provide Discount on debtor at $5 \%$.
6. Mahesh a retailer started his business on $1^{\text {st }}$ April 2016 with a capital of Rs. 45,000 . On $1^{\text {st }}$ July 2016 he introduced Rs. 15,000 as additional capital. He used Rs.18,000 for his personal use as on $1^{\text {st }}$ October 2016.

His financial position as on $31^{\text {st }}$ March 2017 was as follows:

| Particulars | Amount (Rs) |
| :--- | ---: |
| Stock of Goods | 26,000 |
| Debtors | 16,000 |
| Furniture | 6,000 |
| Cash at bank | 6,000 |
| Cash in hand | 600 |
| Bills Receivable | 4,600 |
| Machinery | 20,000 |
| Sundry Creditor | 16,000 |
| Loan from Wife | 6,000 |

## Adjustments:

1. Depreciate furniture by Rs. 600 .
2. Allow interest on Capital at $5 \%$ p.a.
3. Rent prepaid Rs.1,000.
4. Charge interest on drawings at $6 \%$ p.a.

Prepare: Statement of Profit or Loss and Revised Statement of affair as on 31 ${ }^{\text {st }}$ March 2017.
SECTION-E
(Practical Oriented Questions)
V. Answer all the questions. Each question carries five marks.
33. Draft a specimen of Credit Voucher.
34. Prepare a specimen of bill of exchange.
35. Prepare Trading Account with five imaginary figures

