

# FIRST YEAR HIGHER SECONDARY MODEL EXAMINATION JUNE 2022

## Accountancy with Computerised Accounting **ME 650**

### Unofficial Answer Key

#### I. Answer any 8 questions from 1 to 9. Each carries 1 score (8 X 1= 8)

1. B, Fixed Assets
2. B, Posting
3. D, Journal Proper
4. D, Error of Commission
5. C, Amortisation
6. D, Balance Sheet
7. B, Liability
8. A, Total creditors Account
9. A, Software

#### II. Answer any 4 questions from 10 to 15, each carries 2 scores (4 X 2 =8)

**10. INTERNAL USERS- a) Finance Manager , b) Chairman**

**EXTERNAL USERS – c) Bank, d) SEBI**

**11. Advantages of computerized accounting**

**a. Money Measurement Concept:** According to this concept, transactions that can be measured in terms of money or money's worth are recorded in the books of accounts. The qualitative aspects of the business like efficiency of management, favourable location etc are important for the business, but they cannot be recorded in the books of accounts because they can't be evaluated in terms of money.

OR

**b. Matching Concept:** According to this concept expense of an accounting year should be matched with the revenue of the appropriate accounting period to determine correct profit/loss for the accounting period. Therefore, as per this concept, adjustments are required for all outstanding expenses, prepaid expenses, accrued incomes and unearned income (income received in advance)

**12. Bank Reconciliation Statement (BRS)**

BRS is a statement prepared to reconcile the bank balance as per cash book with the balance as per passbook. This statement will show the reasons for the disagreement between the cash book and passbook. BRS is not a part of Bookkeeping. It is prepared by the account holder (customer) of a bank. It is a technique to reconcile/ resolve bank balance in Cash Book with balance reflected in Passbook.

**13.A) Days of Grace:** Drawee is allowed three extra days after the due date of bill for making payments. Such 3 days are known as 'Days of Grace'. It is a custom to add the days of grace.

B) January 4,2022

14. 'Marshalling' is the arrangement of various assets and liabilities in a particular order in the Balance Sheet. Marshalling can be done in any of the following two ways:

- a. In the order of liquidity
- b. In the order of permanence

15. Components of Computer Hardware consists of (1) Input Devices (2) CPU (3) Output Devices

Example for Input Devices: Key Board, Mouse, joy stick, bar code reader web cam, MICR, touch screen, voice sensors etc.

Example for Output Devices: Monitor, printer, plotter, speaker

**III. Answer any 3 questions from 16 to 19, each carries 3 scores (3 X 3 =9)**

16. Qualitative Characteristics of Accounting Information

**1. Reliability:** Accounting information must be reliable. Reliable information should be free from error and bias and verifiable.

**2. Relevance:** To be relevant, information is to be available on time and must help in prediction.

**3. Understandability:** Understandability of accounting information means users of accounting information must interpret it in the same sense as it is prepared and conveyed to them.

**4. Comparability:** Comparability means that the users should be able to compare the accounting information of an enterprise of the period either with that of other periods (Intra-firm comparison) or with the accounting information of other enterprises (Inter-firm comparison).

17.A. Decrease in Liability – DEBIT

B. Increase in Income – CREDIT

C Increase in an asset - DEBIT

18.

### Sales Day Book

Date	Invoice No.	Name of Customer (Account to be debited)	L.F	Amount
1-06-21	94	Kamal traders: 10 Chairs @ Rs.400 5 Tables @ Rs3,000		4,000 <u>15,000</u> 19,000
		Less: Trade Discount(10%)		<u>1,900</u>
15-06-21	95	Raja Traders: 3 Dining Tables @ Rs.8000 Less: trade discount (5%)		24,000 <u>1,200</u> 22,800
		<b>Total</b>		<b>39,900</b>

### 19. Statement of profit/ Loss

Particulars		
Closing Capital		1,00,000
Add: drawings		<u>15,000</u>
		1,15,000
Less:		
Additional Capital introduced	25,000	
Opening Capital	<u>60,000</u>	85,000
<b>PROFIT DURING THE YEAR</b>		<b>30,000</b>

### IV. Answer any 3 questions from 20 to 23, each carries 4 scores (3 X 4 =12)

### 20. Match the Following

A	B
a. Business Entity	4) Owner is treated as a creditor
b. Dual Aspect	1) Assets = Liabilities + Capital
c. Going Concern Concept	2) Business has indefinite Life
d. Conservatism Concept	3) Policy of playing Safe

**21. Depreciation:** Depreciation means decrease in the value of assets due to wear and tear, passage of time or obsolescence.

**Main causes of depreciation of assets are:**

1. Wear and tear – Constant use of assets results in wear and tear especially in case of machinery, furniture, vehicles etc.
2. Amortisation– Certain categories of assets lose their value after the expiry of the agreement period/volume. Examples of such assets are patents, copyrights, leases, etc.
3. Obsolescence – Due to change in fashion or new inventions, some assets may be discarded before their life time.
4. Passage of time – Some assets decrease in value merely because of passage of time.  
Example: value of motor vehicles

22. In the Book of Varghese

Journal

1-04-21	Rajeev A/c Dr. To Sales A/c (Credit sales of goods)		5,000	5,000
1-04-21	Bills Receivable A/c Dr. To Rajeev A/c (B/R received)		5,000	5,000
4-04-21	Bank A/c Dr, Discount A/c Dr. To Bills Receivable A/c (Bills Receivable discounted)		4,800 200	5,000

23.

Journal

1	Salary A/c Dr. To Outstanding Salary A/c (Salary outstanding adjusted)		2,500	2,500
2	Commission A/c Dr. To Commission Received in advance A/c (Commission received in advance adjusted)		650	650

**V. Answer any 3 questions from 24 to 28, each carries 5 scores (3 X 5 =15)**

24.

Journal

1-04-21	Cash A/c Dr. To Marvel's Capital A/c (Business started with capital)		1,50,000	1,50,000
1-04-21	Purchase A/c Dr. To Manisha A/c (Credit purchase of goods)		36,000	36,000
2-04-21	SBI/Bank A/c Dr, To Cash A/c (Cash deposited into bank)		35,000	35,000
2-04-21	Stationery A/c Dr. To cash A/c (Stationery purchased)		2,200	2,200
4-04-21	Insurance A/c Dr. To SBI / Bank A/c (Insurance premium paid by cheque)		6,000	6,000

**25. Bank Reconciliation Statement As on 31-05-2021**

<b>Particulars</b>	<b>(+)Amount</b>	<b>(-)Amount</b>
<b>Debit (Deposit)balance as per Cash Book</b>	<b>25,000</b>	
<b>Cheque issued but not presented for payment</b>	<b>2,850</b>	
<b>Amount directly deposited by a customer into bank, but not recorded in the cash book</b>	<b>1,000</b>	
<b>Cheque deposited but not yet collected and credited by bank</b>		<b>2,000</b>
<b>Bank charges debited in the pass book, but not recorded in cash book</b>		<b>350</b>
<b>Balance as per Pass Book(B/F)</b>		<b>26,500</b>
	<b>28,850</b>	<b>28,850</b>

OR

<b>Particulars</b>	<b>(+)Amount</b>	<b>(-)Amount</b>
<b>Debit (Deposit)balance as per Cash Book</b>		<b>25,000</b>
<b>Add:</b>		
<b>Cheque issued but not presented for payment</b>	<b>2,850</b>	
<b>Amount directly deposited by a customer into bank, but not recorded in the cash book</b>	<b><u>1,000</u></b>	<b>3,850</b>
		<b>28,850</b>
<b>Less:</b>		
<b>Cheque deposited but not yet collected and credited by bank</b>	<b>2,000</b>	
<b>Bank charges debited in the pass book, but not recorded in cash book</b>	<b>350</b>	<b>2,350</b>
<b>Balance as per Pass Book(B/F)</b>		<b>26,500</b>

26. **Trial Balance As on 31<sup>st</sup> March 2021**

Particulars	Debit	Credit
Capital		30,000
Machinery	27,500	
Purchases	37,000	
Sales		53,500
Debtors	12,800	
Creditors		7,300
Cash	4,700	
Rent paid	4,000	
Interest Received		1,200
Wages Paid	6,000	
	<b>92,000</b>	<b>92,000</b>

27. Cost of goods sold = Opening Stock + Net Purchase + Direct Expenses – Closing Stock

Net Purchase = Purchase – Purchase return

**Cost of goods sold** = (6,000 + 24,000 + 6,700) – 8,700

= 36,700 – 8,700 = **28,000**

**Profit = Sales – Cost of goods sold**

= 48,000 – 28,000

= **20,000**

28.

**Computerised accounting** is the process of entering business transactions and generating financial statements and reports with the help of computers. In simple words, accounting with the help of computers is called computerised accounting.

**Advantages of Computerised Accounting System.**

1. **Speed:** Accounting data can be processed very fast in Computerised accounting.
2. **Reliability :** Computers are highly reliable as compared to human beings.
3. **Storage:** In computerized accounting system large volume of data can be stored in very small physical place.
4. **Retrieval of data:** Retrieval of data is very easy in Computerised Accounting.
5. **No difficulty in alterations :** In computerized accounting, system are updated automatically as and when accounting data are updated and stored

**VI. Answer any one question from 29 to 30, carries 8 scores (1 X 8=8)**

**29. Double Column Cash Book**

Date	Particulars	L.F	Cash	Bank	Date	Particulars	L.F	Cash	Bank
1-1-21	Balance b/d		7500	23200	4-1-21	Wages		400	
5-1-21	Sales		6500		7-1-21	Purchase			3750
13-1-21	Sales		4500		9-1-21	Furniture		4300	
14-1-21	Cash	C		7000	11-1-21	Rahim		2400	
29-1-21	Bank	C	5000		14-1-21	Bank	C	7000	
					20-1-21	Telephone			600
					27-1-21	Rent		1800	
					29-1-21	Cash	C		5000
						Balance c/d		<b>7600</b>	<b>20850</b>
			23,500	30,200				23,500	30,200

30.

**Trading and Profit and Loss Account**

Dr. Cr. **for the Year ended 31<sup>st</sup> March 2021**

Particulars	Amount	Particulars	Amount
To Opening Stock	17,500	By Sales	1,24,000
To Purchase	68,600	Less: Sales return	<u>2,000</u>
To Carriage Inwards	4,500		1,22,000
To Wages	5,200	Closing Stock	16,000
Add: Outstanding	<u>2,300</u>		
To Gross Profit c/d	<b>39,900</b>		
	1,38,000		1,38,000
To Insurance	8,200	By Gross Profit b/d	39,900
Less: Prepaid	<u>1,200</u>	By Interest	800
Depreciation: (Furniture)	1,850	Less Received in advance	<u>200</u>
			1,000
Net profit Transferred to Capital Account (B/F)	<b>32,050</b>		
	40,900		40,900

### Balance Sheet as on 31<sup>st</sup> March 2021

Liabilities	Amount	Assets	Amount
Creditors	10,200	Cash in Hand	5,300
Bank Loan	20,000	Cash at bank	14,600
Outstanding Wages	2,300	Interest accrued	200
		Prepaid Insurance	1,200
Capital	80,000	Debtors	18,000
Add: Net Profit	<u>32,050</u>	Closing stock	16,000
	1,12,050	Furniture	18,500
		Less : Depreciation	<u>1850</u>
		Building	72,600
	<b>1,44,550</b>		<b>1,44,550</b>

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