

Part-III

Max.Marks -60

Answer any 8 questions from 1 to 9. Each carries 1 score. (8x1=8)

- 1.b. Expenses.
2. c. Journalising.
- 3.c. Journal proper.
- 4.d. Decreases every year.
5. b. The asset side of Balance Sheet.
6. a. Capital.
7. c. Reports.
8. c. Wrong balancing of Furniture account.
- 9.c. Cash book.

II. Answer any 4 questions from 10 to 15. Each carries 2 score. (4x2=8)

10. a. Current Asset.
- b. A person who owes money to the business concern.
- 11.(i)**GAAP**-.Generally Accepted Accounting Principles.
- (ii) **IFRS**- International Financing Reporting Standards.
12. If the bank balance shown by the cash book does not agree with the balance as shown by the bank pass book, the firm has to identify the reasons for the differences. In this case the firm prepare a bank reconciliation statement
- 13.A bill of exchange must be in writing. • It is an order to make payment. • The order to make payment is unconditional. • The maker of the bill of exchange must sign it. • The payment to be made must be certain. • The date on which payment is made must also be certain. • The bill of exchange must be payable to a certain person. (Any 2 points)
- 14.Inputs: Keyboard, Optical scanner.
Out put: Monitor, Printer.
15. Gross Profit= Sales- Cost of goods sold.
Cost of goods sold =Opening stock +Purchases+Wages-Closing Stock.
50,000+3,50,000+30,000-70,000
3,60,000
GP =6,00,000- 3,60,000
2,40,000.

III. Answer any 3 questions from 16 to 19. Each carries 3 score. (3x3=9)

16.

Transactions	Assets	= Liabilities + Capital
a. Commenced business	Cash + Stock + Furniture	= + Capital
	50,000	= 50,000
b. Purchased goods for cash	50,000	= 50,000
	-20,000 + 20,000	= 50,000
c. Purchased Furniture	30,000 + 20,000	= 50,000
	-25000 + 0 + 25,000	
New Equation	5,000 + 20,000 + 25,000	= 50,000

17.a. Maintenance of Records of Business Transactions: b. Calculation of Profit and Loss:
c. Depiction of Financial Position:d. Providing Accounting Information to its Users: (Any 3 points)

18. Total Debtors Account

Particulars	Amount	Particulars	Amount
Balance B/d	10,000	Cash	70,000
Credit sales.	85,000	Returns	5,000
		balance b/d	20,000
	<hr/> 95,000 <hr/>		<hr/> 95,000 <hr/>

19.

Date	Invoice No	Name of customer	L/F	Amount
01-01-2021	1001	Rahul Traders: 50 Chairs @ 50 - 2500 100 Note book @ 30 3000 ----- 5,500 Less: Trade Discount: 550 -----		4,950
5-01-2021	1002	Global Stationeries Traders: 50 Colour Books @30 – 1500 200 Files @ 10 -2000		3,500 <hr/> 8,450

IV. Answer any 3 questions from 20 to 23. Each carries 4 score.

(3x4=12)

20.

A	B
a. The existence of business is separate from its owner	3.Business Entity Concept
b. Assets= Liabilities + C Dual Aspect Concept	4. Dual Aspect Concept
c. The Recording price of assets is its acquisition price	2. Cost Concept.
D .Do not anticipate profit, but provide for all losses.	1.. Conservatism Concept.

21.a. Matching of Costs and Revenue: b. Consideration of Tax: c. True and Fair Financial Position:
d. Compliance with Law:

22.

Date	Particulars	L.F	Amount	Amount
1.1.2022	Prasad A/c Dr. Sales (Sold goods to Prasad)		10,000	10,000
1.1.2022	Bills Receivable A/c Dr. Prasad A/c (Received Prasad's acceptance for 2 months)		10,000	10,000
4.1.2022	Bank A/c Dr. Discount A/c Dr. Bills receivable A/c		8,800 1,200	10,000

- 23.a. Rent Prepaid A/c Dr., 1,000.
To Rent A/c. 1,000
- b. Commission A/c Dr. 500
To Commission Received in advance 500.

V. Answer any 3 questions from 24 to 28. Each carries 5 score. (3x5=15)

24. **a. Speed** – Accounting data is processed in a lightning speed when it is compared with the manual effort.
- b. Accuracy** – The possibility of error is eliminated because the primary accounting data is entered only once.
- c. Reliability** – Computers are highly reliable compared to human beings as they are free from tiredness, boredom or fatigue.
- d. Up-to-date information** – The accounting records in a computerized accounting system are updated automatically as and when the data is entered and stored and it will be reflected in all the reports within no time. Therefore, latest information is available without any additional effort.
- e. Real time user interface** – Most of the automated accounting system are inter-linked through network of computers, so that the information is available to various users at the same time on a real time basis.
- f. Automated Document Production** – The accounting reports such as cash book, trial balance, balance sheet etc. are obtained just by a mouse click.
- g. Legibility** – The reports and data displayed on a monitor or printout is more legible than handwritten words. So that the chances errors are minimized.
- h. Efficiency** – Computer accounting system ensures better use of resource and time.
- i. Quality reports** – The reports generated by this system are error free and highly objective and can be relied upon.
- j. MIS reports** – Computerized accounting system facilitates the real time production of management information reports, which will help the management to monitor and control the business effectively. E.g. Credit limit to a particular customer can be set.
- k. Storage and Retrieval** – Computer accounting system allows the users to store data in a manner that does not require a larger amount of physical space as in the case of manual accounting.
- l. Motivation and employee interest** – The computer system requires specialized training for staff which makes them feel highly motivated and develops interest on the job. **(Any 5 points)**

25.

Particulars	Amount	Amount
Cash at bank	45,000	
Sales		60,000
Bills Receivable	15,000	
bank Loan		20,000
Commission Paid	2,000	
Purchase Returns		5,000
Machinery	45,000	
Purchases	40,000	
Creditors.		12,000
Capital		50,000
	1,47,000	1,47,000

26.

Date	Particulars	L/F	Amount	Amount
01.03.2022	Purchase A/c Dr. To Hari. A/c (Purchased goods from Hari)		10,000	10,000
05.3.2022	Drawings A/c. Dr. To Purchase A/c. (Took goods for personnel use)		3,000	3,000
10.3.2022	Furniture A/c. Dr. To Bank A/c. (Furniture purchased and made through cheque)		6,000	6,000
15.3.2022	Binu A/c Dr. To Purchase Returns A/c (Goods returned to Binu)		4,000	4,000
20.3.2022	Cash A/c. Dr. To Sabu A/c. (Cash received from sabu)		5,000	5,000

27.a. Arrangement of assets and liabilities in a particular order is known as Marshalling.

b. Cash in hand, Cash at bank, Debtors, Closing stock, Furniture, Building.

28.

Particulars	Amount	Amount
Balance as per cash book	10,000	
Add: Cheque issued but not presented	2,500	
Amount directly deposited by customer	5,000	
	-----	17,500
Less: Cheque deposited into bank, but not collected.	5,000	
Insurance premium paid by the bank	1,500	6,500
	-----	11,000
Balance as per Pass Book		

VI. Answer any one question from 29 to 30. Carries 8 score.

(1x8=8)

29. Double column cash book

Date	Particulars	L. F	Cash	Bank	Date	Particulars	L · F	Cash	Bank
1.12.21	Balance b/d		20,000	5,000	03.12.21	Purchase		3,000	
05.12.21	Hari			7,000	12.12.21	Purchase			2,000
08.12.21	Sales		4,000		15.12.21	Establishment			1,000
18.12.21	Sales		6,000			Expenses.			
20.12.21	Cash	C		7,000	20.12.21	Bank	C	7,000	
27.12.21	Dividend			2,000	24.12.21	Trade expenses		3,000	
					29.12.21	Rent		4,000	
					30.12.21	Drawings		3,000	
					31.12.21	Salary		8,000	
						Balances c/d		2,000	18,000
			<u>30,000</u>	<u>21,000</u>				<u>30,000</u>	<u>21,000</u>

30 .

Trading , Profit and Loss Account of M/s. Arjun Associates , 31.3.2021

Dr.

Cr.

Particulars	Amount	Particulars	Amount
Opening Stock	10,000	Sales	64,000
Purchases	50,000	Closing Stock	12,000
Carriage inward	1,000		
wages 4,000			
Add: O/s 1,000	5,000		
Gross Profit C/d	10,000		
	<u>76,000</u>		<u>76,000</u>
		Gross Profit b/d	10,000
Insurance Premium 3,000		Discount received	1,000
Less: Advance 1,000	2,000		
	1,500		
Commission	2,500		
Interest	3,000		
Carriage outward			
	1,500		
Depreciation of furniture	5,000		
Net Profit			
	<u>11,000</u>		<u>11,000</u>

Balance sheet of M/s. Arjun Associates , 31.3.2021

Liabilities	Amount	Assets	Amount
Creditors	4,000	Cash in hand	5,000
B/P	5,000	Debtors	5,000
Capital : 40,000		B/R	2,000
Add: N/P : 5,00	40,500	Closing Stock	12,000
-----	1,000	Insurance	1,000
O/s Wages		Investment	12,000
		Furniture :15,000	
		Less: Dep : 1,500	
		-----	13,500
	50,500		50,500

(For ASSOCIATION OF COMMERCE TEACHERS (ACT) KOLLAM)

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