

PART - I

20x1=20

- Note: i) Answer all the questions.
ii) Choose the most appropriate answer from the given four alternatives and write the option code and the corresponding answer.
- Who is considered to be the internal user of the financial information?
a) Creditor b) Employee c) Customer d) Government
 - In _____ Luca Pacioli an Italian developed double entry book keeping system.
a) 1449 b) 1494 c) 1944 d) 1459
 - The concept which assumes that a business will last indefinitely is
a) Business Entity b) Going Concern c) Periodicity d) Conservatism
 - In India, Accounting Standards are issued by
a) Reserve Bank of India b) The Cost and Management Accounts of India
c) Supreme Court of India d) The Institute of Chartered Accountants of India
 - A firm has assets of Rs. 20,000 and the external liabilities of Rs. 12,000. Its capital would be
a) Rs. 2,000 b) Rs. 8,000 c) Rs. 22,000 d) Rs. 18,000
 - Which one of the following is representative personal account?
a) Building A/c b) Outstanding salary A/c c) Balan & Co., A/c d) Salary A/c
 - Main objective of preparing ledger account is to
a) Ascertain the financial position b) Ascertain the profit of loss
c) Ascertain the profit or loss and the financial position d) Know the balance of each ledger account
 - If Ganesan's account discloses the total of the debit side of an account exceeds the total of it's credit side it means
a) Credit balance b) Debit balance c) Nil balance d) Debit and Credit balance
 - After the preparation of ledger, the next step is the preparation of
a) Trading account b) Trial balance c) Journal d) Profit and loss account
 - The account which has a debit balance and is shown in the debit column of the trial balance is
a) Sundry Creditors Account b) Bills payable Account
c) Drawings Account d) Capital Account
 - Sales book is used to record
a) All sales of goods b) All credit sales of assets
c) All credit sales of goods d) All sales of assets and goods
 - The source document or voucher used for recording entries in sales book is
a) Debit note b) Credit note c) Invoice d) Cash receipt
 - Cash book is a
a) Subsidiary book b) Principal book
c) Journal proper d) Both subsidiary book and Principal book
 - A cash book with discount, cash and bank column is called _____
a) Simple cash book b) Double column cash book
c) Three column cash book d) Petty cash book
 - The balance in the petty cash book is
a) An expense b) A profit c) An asset d) A liability
 - Days of grace are _____ in number.
a) 3 b) 4 c) 2 d) 6
 - A bank reconciliation statement is prepared with the help of
a) Bank statement b) Cash book
c) Bank statement and Bank column of the cash book d) Petty cash book
 - When money is withdrawn from bank, the bank
a) Credits Customer's Account b) Debits Customer's Account
c) Debits and Credits Customer's Account d) None of these
 - Under Accounting Equation approach accounts are classified in to _____ categories.
a) 4 b) 3 c) 5 d) 2
 - What is the correct order in which the accounting transactions and events are recorded in the books?
1) Trial Balance 2) Ledger 3) Transactions 4) Journal
a) (2) (3) (4) (1) b) (3) (4) (2) (1) c) (1) (2) (3) (4) d) (3) (2) (1) (4)

PART - II

Answer any seven questions in which Question No. 30 is compulsory.

7x2=14

- Who are the parties interested in accounting information?
- Give any two advantages of Book-keeping.
- Give the golden rules of double entry accounting system.
- Journalise the following transactions in the books of Kaviya who is dealing in textiles.

		Rs.
2019		
March	1 Kaviya started business with cash	60,000
	2 Purchased furniture for cash	10,000
	8 Purchased goods for cash	28,000
	15 Withdrew cash for personal use	4,000

- 25) Prepare Furniture A/c from the following transactions, 2018

Jan.	1	Furniture in hand	Rs. 20,000
	1	Purchased furniture for cash	40,000
	30	Sold furniture	4,000

- 26) What is trial balance?

- 27) Prepare Bank Reconciliation Statement of Dhananya as 31st December 2018.

		Rs.
1.	Balance as per cash book	10,000
2.	Cheque deposited but not cleared	2,000
3.	A customer has deposited into the bank directly	1,000

- 28) What is Purchases Book?

- 29) What is three column cash book?

- 30) Enter the following transactions in a single column cash book of Prasath, 2019

Jan.	1	Cash in hand	Rs. 11,200
	5	Received from Ravi	3,000
	27	Cash paid to Mohan	7,000
	31	Paid Rent	1,000

PART - III

Answer any seven questions in which Question No. 40 is compulsory.

7×3=21

- 31) Explain the importance of accounting.

- 32) Write short notes on (i) Money measurement concept (ii) Matching concept.

- 33) Complete the accounting equation.

Assets	=	Capital	+	Liabilities
Rs.		Rs.		Rs.
a) 2,00,000	=	1,50,000	+	?
b) 1,00,000	=	?	+	30,000
c) ?	=	1,20,000	+	80,000

- 34) Prepare necessary Ledger accounts in the books of Mr. Babu from the following opening entry.

Date	Particulars	LF	Debit Rs.	Credit Rs.
2019 Jan. 1	Cash A/c	Dr	55,000	
	Stock A/c	Dr	65,000	
	To Babu's Capital A/c (Balances brought forward)			1,20,000

- 35) Enter the following transactions in the purchases and sales book of Mr. Arasan an auto parts Dealer, for the month of Nov. 2018.

Nov.	1	Bought from Shanmugam on credit	Rs. 20,000
	4	Sold goods to Raja on Credit	15,000
	15	Purchased goods on credit from Ramu	25,000
	20	Sold goods on credit to Arthi	20,000
	25	Sold goods to Mani for cash	5,000

- 36) Prepare analytical petty cash book of Mr. Selvam from the following particulars under Imprest system.

2019		Rs.	
Jan.	1	Balance on hand	200
	1	Cash received from the chief cashier	1,800
	5	Paid to stationery	300
	7	Postal charges	200
	15	Paid to Sujatha	250
	30	Paid wages	250

- 37) From the following information prepare Bank Reconciliation Statement to find out the bank statement balance as on 31.12.2017.

Particulars	Rs.
1. Balance as per cash book	12,500
2. Cheques deposited but not cleared	1,500
3. Cheques issued but not presented for payment	750
4. Dividend directly received by bank	250

- 38) Bring out three differences between Cash discount and Trade discount.

- 39) Fill in the missing information:

i)	A/c	Dr	ii)	A/c	Dr
	To	A/c		To	A/c
	(Furniture purchased for cash Rs. 4,000)			(Electricity charges paid Rs. 500)	
iii)	A/c	Dr			
	To	A/c			
	(Goods purchased for cash Rs. 15,000)				

- 40) Prepare sales account from the following transactions.

2018

Jan.	1	Sold goods to Saranya for cash	Rs. 40,000
	7	Sold goods to Kaviya and cheque received	25,000
	20	Sold goods to Ranjith on credit	12,000

PART - IV**Answer all the questions:****7×5=35**

- 41) a) Show the accounting equation on the basis of the following. **Rs.**
- | | | | |
|----|--|----------|--------|
| a) | Started business with cash | 1,00,000 | |
| b) | Purchased goods for cash | | 25,000 |
| c) | Sold goods for cash costing Rs. 20,000 for | | 23,000 |
| d) | Paid rent by cash | | 1,000 |
| e) | Computer purchased for cash | | 40,000 |
- b) From the following information prepare bank reconciliation statement to find out balance as per bank statement on 31st March 2018. **Rs.**
- | | | |
|------|---|--------|
| i) | Balance as per cash book | 13,000 |
| ii) | Cheques deposited but not yet collected by the bank | 12,000 |
| iii) | Cheques issued but not yet presented for payment | 21,000 |
| iv) | Interest charged by the bank | 1,000 |
| v) | Rent paid by bank as per standing instruction | 1,200 |
- 42) a) Journalise the following transactions in the books of Mr. Sakthi. 2018 **Rs.**
- | | | | |
|------|----|---|----------|
| Jan. | 1 | Started business with cash | 1,00,000 |
| | 2 | Purchased goods from Kanishka on credit | 40,000 |
| | 3 | Cash deposited with the bank | 20,000 |
| | 14 | Sold goods to Suresh and received cash | 10,000 |
| | 15 | Withdrew from bank for personal use | 1,000 |
- b) Enter the following transactions in the purchases and sales books of Krishna. 2018 **Rs.**
- | | | | |
|------|----|------------------------------------|--------|
| Dec. | 1 | Purchased goods from Sathya | 15,000 |
| | 4 | Purchased goods for cash from Mani | 10,000 |
| | 6 | Sold goods on credit to Saranya | 9,000 |
| | 17 | Purchased goods from Bala | 20,000 |
| | 21 | Sold goods to Nithya | 5,000 |
- 43) a) Show the direct ledger posting for the following transactions. 2018 **Rs.**
- | | | | |
|------|----|-------------------------------------|--------|
| Jan. | 1 | Chitra commenced business with cash | 50,000 |
| | 5 | Goods purchased for cash | 20,000 |
| | 9 | Sold goods to David on credit | 16,000 |
| | 14 | Purchased furniture for cash | 4,000 |
| | 31 | Rent paid | 1,200 |
- b) Prepare the trial balance from the following balances as Pandiyan as on 31st March 2017. **Rs.**
- | | | | |
|-----------------|---------------|-------------------|--------|
| Capital | 50,000 | Discount received | 1,250 |
| Stock | 15,000 | Sales | 26,000 |
| Insurance 1,500 | Bills payable | 4,000 | |
| Purchases | 20,000 | Buildings | 32,000 |
| Drawings | 6,000 | Cash | 5,000 |
| Postages | 750 | | |
- 44) a) Enter the following transactions in cash book with discount and cash column of Ashok. 2017 **Rs.**
- | | | | |
|------|----|--|--------|
| Dec. | 1 | Cash in hand | 26,500 |
| | 9 | Sold goods for cash | 24,000 |
| | 15 | Goods purchased from Mohan on credit | 20,000 |
| | 19 | Cash paid for Electricity charges | 1,800 |
| | 25 | Paid cash to Mohan Rs. 19,500 in full settlement of his account. | 20,000 |
| | 30 | Paid trade expenses in cash | 3,000 |
- b) From the following transactions of Sarathy a cloth merchant, pass journal entries for the month of March 2018. **Rs.**
- | | | | |
|-------|----|---|--------|
| March | 1 | Commenced business with cash Rs. 60,000 with goods Rs. 40,000 | |
| | 3 | Sold goods to Latha | 15,000 |
| | 7 | Insurance paid through Bank | 1,000 |
| | 12 | Latha returned goods | 1,500 |
| | 18 | Lunch provided at free of cost to a charity | 1,300 |
- 45) a) Enter the following transactions in Jayamani's petty cash book with analytical columns under imprest system. 2017 **Rs.**
- | | | | |
|------|---|--------------------------------------|-------|
| Feb. | 1 | Balance on hand | 250 |
| | 1 | Cash received from the chief cashier | 2,250 |

3	Purchased stationery	240
6	Sent documents to head office by registered post	210
12	Carriage paid	400
18	Tea expenses	130
22	Repairs to computer	600
23	Paid to Kumar	300

(OR)

b) Enter the following transactions in the Purchase book and Purchase return book of Kailash furniture shop.

2016

July	6	Purchased from Vela & Co on credit 50 Fans @ Rs. 1,200 each 20 Electric iron box @ Rs. 750 each
	10	Purchased from Vijaya & Co. 10 Electric stoves @ Rs. 2,500 each
	19	Purchased from Balan & Co 15 Electric heaters @ Rs. 4,000 each
	22	Returned to Balan & Co 2 Electric heaters @ Rs. 4,000 each

46) a) Enter the following transactions in a cash book with discount, cash and bank columns of Manoj.

2017

		Rs.
Oct.	1	Cash balance 46,000
		Bank balance 28,000
	3	Paid cash to Siva 14,500
		Discount received from him 500
	7	Cash sales 10,000
	12	Purchased goods and payment made through credit card 25,000
	18	Received cash from Pardeepan 9,750
		and allowed him discount 250

(OR)

b) Prepare the trial balance from the following balance of Sudhakar as on 31st March 2018.

	Rs.
Cash in hand	6,500
Sundry debtors	25,000
Stock	11,000
Salaries	7,000
Sundry creditors	35,000
Capital	50,000
Purchases	30,000
Sales return	2,500
Bank overdraft	12,500
Furniture	9,000

47) a) On the basis of narration fill the missing value and rewrite the journal.

Date	Particulars	LF	Debit Rs.	Credit Rs.
2019			50,000	
Sep. 1 (Capital introduced)			
4 (Goods purchased)			20,000
9 (Carriage paid)			2,000
16 (Sold goods to Bharathi)		30,000	
26 (Furniture purchased)			7,000

(OR)

b) From the following particulars ascertain the balance that would appear in the cash book of Mr. Sukumars as on 31st December 2017.

	Rs.
1. Balance as per Bank pass book on 31st December 2017	13,200
2. Bank charges	300
3. Cheques issued but not cashed prior to 31st December amounted to Rs. 2,000.	
4. Cheques paid into bank but not cleared before 31st December for Rs. 3,300.	
5. Interest on investments collected by the bank.	1,400

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