

- 3) Amount directly deposited into the bank account
 4) Interest ,dividend etc. collected and credited by the bank
 5) Interest allowed or charged, bank charges by bank recorded only in passbook (ANY 3)

20 Advantages of written down value method of depreciation:

- 1 This method is suitable for the assets having longer life.
 2 Its more realistic because more depreciation is charged in initial years as compared with later years.
 3 Income tax department accepts this method.

IV ANSWER ANY 5 QUESTIONS FROM 21 TO 26 EACH CARRIES 4 SCORES (5X4=20)

21 Objectives of Accounting:

- 1.Maintaining the Accounting records of business
 2.Ascertainment of result (profit /loss)
 3.Determining the Financial Position of business
 4.Provide Information to various users of accounting information

22 TRIAL BALANCE AS ON.....

NAME OF ACCOUNT	DEBIT	CREDIT
FURNITURE	10000	
CASH IN HAND	5000	
CREDITORS		7000
PURCHASES	15000	
SALES		23000
DEBTORS	18000	
CAPITAL		20000
SALARY	2000	
	50000	50000

23 SALES BOOK

DATE	DESCRIPTION	DEBIT	CREDIT
2023 Jun-01	<u>SEN INTERNATIONAL</u> 10 LAPTOP@ RS 30000 EACH	30000	
	15 PRINTER @ RS 6000 EACH	90000	
17	<u>AB TRADERS</u> 10 MOBILE PHONE@10000 EACH	100000	
	20 COMPUTER TABLE@3000 EACH	60000	
		160000	
	LESS TRADE DISCOUNT @10%	16000	
25	<u>KK TRADERS</u> 5 INVERTER 7000 EACH		35000
	TOTAL		569000

24 MATCH THE FOLLOWING:

- A) TRANSACTIONS ARE TO BE KEPT NOT IN PHYSICAL UN 3) MONEY MEASUREMENT CONCEPT
 B) BUSINESS FIRM WOULD CONTINUE ITS OPERATIONS... 1) GOING CONCERN CONCEPT
 C) ASSETS = CAPITAL + LIABILITY 4) DUAL ASPECT CONCEPT
 D) EACH TRANSACTION IS SUPPORTED BY EVIDENCE 2) OBJECTIVITY CONCEPT

25 BANK RECONCILIATION STATEMENT

PARTICULARS	RS	RS
OVER DRAFT BALANCE AS PER PASS BOOK		10000
ADD :CHEQUE ISSUED BUT NOT PRESENTED		3000
		13000
LESS: CHEQUE DEPOSITED BUT NOT COLLECTED	8000	
INTEREST ON O.D. NOT ENTERED IN CASH BOOK	500	
INSURANCE PREMIUM PAID BY BANK	700	9200
OVERDRAFT BALANCE AS PER CASH BOOK		3800

26 DEPRECIATION = COST OF ASSET - SCRAP VALUE / EFFECTIVE LIFE

$$= \frac{80000 + 10000 + 10000 - 10000}{10}$$

$$= \frac{90000}{10}$$

$$= \underline{\underline{9000}}$$

Dr		MACHINERY ACCOUNT				Cr
2020 Apr-01	TO CASH (80000+10000+10000)	100000	2021 Mar-31	BY DEPRECIATION BY BALANCE C/D	9000 91000	3
		100000			100000	
2021 Apr-01	TO BALANCE B/D	91000	2022 Mar-31	BY DEPRECIATION BY BALANCE C/D	9000 82000	
		91000			91000	
2022 Apr-01	TO BALANCE B/D	82000	2023 Mar-31	BY DEPRECIATION BY BALANCE C/D	9000 73000	
		82000			82000	

V ANSWER ANY 1 QUESTION FROM 27 TO 28 EACH CARRIES 8 SCORES (IX8=8)

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JOURNAL				
DATE	PARTICULARS	LF	DEBIT	CREDIT
2023 Jan-01	CASH Dr STOCK Dr TO CAPITAL (COMMENCED BUSINESS WITH CASH AND STOCK)		50000 10000	60000
10	PURCHASES Dr TO CASH (PURCHASED GOODS FOR CASH)		20000	20000
15	BANK A/C Dr TO CASH (CASH DEPOSITED INTO BANK)		5000	5000
20	SREEVIDYA Dr TO SALES (SOLD GOODS TO SREEVIDYA)		25000	25000
25	RENT A/C Dr TO BANK (PAID RENT BY CHEQUE)		3000	3000
30	DRAWINGS A/C Dr TO CASH (WITHDREW FOR PERSONAL USE)		2000	2000
			115000	115000

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Dr		CASH ACCOUNT				Cr
2023 Jan-01	TO CAPITAL	50000	2023 Jan-10	BY PURCHASES	20000	2
			15	BY BANK	5000	
			30	BY DRAWINGS	2000	
		50000	31	BY BALANCE C/D	23000	
Feb-01	TO BALANCE B/D	23000			50000	

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DOUBLE COLUMN CASH BOOK											
DATE	RECEIPTS	RN	LF	CASH	BANK	DATE	PAYMENTS	VN	LF	CASH	BANK
2022 May-01	BALANCE			35000	20000	2022 May 5	BANK		C	5000	
5	CASH		C		5000	7	PURCHASES			4000	
10	SALES			7000		14	FURNITURE				6000
18	BANK		C	3000		18	CASH		C		3000
20	COMMISSION			2000		24	PURCHASES				5000
25	INTEREST				1000	28	SALARY			4000	
30	BALU			2000		29	DRAWINGS				3000
						31	BALANCE C/D			36000	9000
				49000	26000					49000	26000
Apr-01	BALANCE B/D			36000	9000						

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ANSWER KEY PREPARED BY RAMESH V.P , ACT MALAPPURAM