

FIRST YEAR ACCOUNTANCY WITH AFS ANSWER KEY, HALF YEARLY EXAM 2024**Answer any eight. 1 mark each**

NO	ANSWER	MARK
1	d. All of these	1
2	Depreciation	1
3	c. Consistency Concept	1
4	c. Error of Omission	1
5	b. Rs.1,00,000	1
6	a. An increase in assets	1
6	c. A statement	1
8	b. Pass book credit balance	1
9	b. Purchaser of goods	1
10	Purchase book	1

Answer any five. 2 mark each

NO	ANSWER	MARK
11	BRS – A statement prepared to reconcile the bank balance as per Cash Book With the balance as per pass book, by showing the items of difference between the two accounts.	2
12	a. Petty Cash Book, b. Petty Cashier	2
13	a. Voucher/Source Document, b. Bill, Invoice	2
14	Duality Concept – Every transaction has two aspects. One is debit and other is credit.	2
15	GAAP – Generally Accepted Accounting Principles – The guidelines to bring uniformity in recording and reporting of business transactions.	2
16	1. Trade Discount, 2. Cash Discount	2

Answer any five. 3 mark each

NO	ANSWER	MARK																												
17	CGST, SGST, IGST	3																												
18	1. It is a charge against the revenue and to be deducted to find out net profit 2. Depreciation is a deductible expense for tax purpose 3. It is statutory obligation to provide depreciation	3																												
19	1. To ascertain arithmetical accuracy of ledger accounts 2. To help in locating errors 3. To help in the preparation of financial statements	3																												
20	Deduct, Deduct, Add	3																												
21	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Furniture a/c</td> <td style="width: 10%;">Dr</td> <td style="width: 30%;">30,000</td> <td style="width: 30%;"></td> </tr> <tr> <td>Input CGST</td> <td>Dr</td> <td>1,500</td> <td></td> </tr> <tr> <td>Input SGST</td> <td>Dr</td> <td>1,500</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">To Bank a/c</td> <td></td> <td style="text-align: right;">33,000</td> <td></td> </tr> <tr> <td colspan="4" style="border-top: 1px dashed black;"></td> </tr> <tr> <td>Bank a/c</td> <td>Dr</td> <td>44,000</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">To Sales a/c</td> <td></td> <td style="text-align: right;">40,000</td> <td></td> </tr> </table>	Furniture a/c	Dr	30,000		Input CGST	Dr	1,500		Input SGST	Dr	1,500		To Bank a/c		33,000						Bank a/c	Dr	44,000		To Sales a/c		40,000		3
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.....			
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22	1. Credit purchase of Furniture 2. Goods given as free samples 3. Goods withdrawn by the owner for personal use		3

Answer any four. 4 mark each

NO	ANSWER	MARK																																				
23	1. Matching Concept 2. Revenue Realisation Concept	4																																				
24	1. To maintain a systematic record of all financial transactions. 2. To ascertain profit/loss by preparing P&L account 3. To ascertain financial position by preparing Balance Sheet 4. To provide accounting information	4																																				
25	<table border="1"> <thead> <tr> <th>NAME OF ACCOUNT</th> <th>DEBIT</th> <th>CREDIT</th> </tr> </thead> <tbody> <tr> <td>Capital</td> <td></td> <td>1,00,000</td> </tr> <tr> <td>Sales</td> <td></td> <td>70,000</td> </tr> <tr> <td>Purchases</td> <td>80,000</td> <td></td> </tr> <tr> <td>Commission Paid</td> <td>1,800</td> <td></td> </tr> <tr> <td>Rent Received</td> <td></td> <td>1,500</td> </tr> <tr> <td>Drawings</td> <td>2,000</td> <td></td> </tr> <tr> <td>Stock in trade</td> <td>15,000</td> <td></td> </tr> <tr> <td>Cash at Bank</td> <td>26,700</td> <td></td> </tr> <tr> <td>Bank Overdraft</td> <td></td> <td>40,000</td> </tr> <tr> <td>Land and Buildings</td> <td>86,000</td> <td></td> </tr> <tr> <td></td> <td>2,11,500</td> <td>2,11,500</td> </tr> </tbody> </table>	NAME OF ACCOUNT	DEBIT	CREDIT	Capital		1,00,000	Sales		70,000	Purchases	80,000		Commission Paid	1,800		Rent Received		1,500	Drawings	2,000		Stock in trade	15,000		Cash at Bank	26,700		Bank Overdraft		40,000	Land and Buildings	86,000			2,11,500	2,11,500	4
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26	Capital Reserve – Reserve created out of capital profit Secret Reserve – Reserve not shown in the balance sheet Revenue Reserve – Reve created out of profits of normal operating activities General Reserve – The purpose of reserve is not specified	4																																				
27	<table border="1"> <thead> <tr> <th>PARTICULARS</th> <th>AMOUNT (+)</th> <th>AMOUNT (-)</th> </tr> </thead> <tbody> <tr> <td>Bank balance as per Pass Book</td> <td>12,000</td> <td></td> </tr> <tr> <td>Cheque deposited but not processed</td> <td>5,000</td> <td></td> </tr> <tr> <td>Bank Charges</td> <td>600</td> <td></td> </tr> <tr> <td>Cheque issued but not presented</td> <td></td> <td>3,000</td> </tr> <tr> <td>Int. on deposit only recorded in passbook</td> <td></td> <td>500</td> </tr> <tr> <td>Bank balance as per Cash Book</td> <td></td> <td>14,100</td> </tr> <tr> <td></td> <td>17,600</td> <td>17,600</td> </tr> </tbody> </table>	PARTICULARS	AMOUNT (+)	AMOUNT (-)	Bank balance as per Pass Book	12,000		Cheque deposited but not processed	5,000		Bank Charges	600		Cheque issued but not presented		3,000	Int. on deposit only recorded in passbook		500	Bank balance as per Cash Book		14,100		17,600	17,600	4												
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Answer any three. 5 mark each

NO	ANSWER	MARK																														
28	a. Bank balance as per pass book and cash book should be same always. But practically it is not because of valid reasons. b. 1. Cheque issued but not presented for payment 2. Cheque deposited but not collected by bank 3. Interest credited by the bank not entered cash book	5																														
29	1. Error of Commission 2. Error of Omission 3. Error of Principle 4. Compensating Error 5. Error of Commission	5																														
30	1. Profit – Excess of revenue over expense 2. Expense – Amount spent to earn revenue Eg. Salary, Rent 3. Fixed Asset – Assets which are held on a long term basis and are not for resale. Eg. Furniture, Building.	5																														
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Answer any two. 8 mark each

32.a

NO	BASIS	STRAIGHT LINE METHOD	WRITTEN DOWN METHOD
1	Basis of charging depreciation	On Original Cost	On Book Value
2	Annual Depreciation Amount	Fixed year after year	Reducing year after year
3	Recognition by income tax law	Not Recognized	Recognized

b. **Machinery A/c**

DATE	PARTICULARS	AMT	DATE	PARTICULARS	AMT
1/7/21	To Cash a/c	1,50,000	31/3/22	By Depreciation a/c (1,50,000 * 10% * 9/12)	11,250
				By Balance	1,38,750
		1,50,000			1,50,000
1/4/22	To Balance	1,38,750	31/3/2023	By Depreciation a/c	15,000
				By Balance	1,23,750
		1,38,750			1,38,750
1/4/23	To Balance	1,23,750	31/3/24	By Depreciation a/c	15,000
				By Balance	1,08,750

		1,23,750			1,23,750
1/4/24	To Balance	1,08,750	30/06/24	By Depreciation a/c	3,750
				By Cash a/c	1,03,000
				By P & L a/c	2,000
		1,08,750			1,08,750

33.

Cash a/c Dr 60,000

To Capital a/c 60,000

Bank a/c Dr 25,000

To Cash a/c 25,000

Purchases a/c Dr 15,000

To Hiresh a/c 15,000

Hiresh a/c Dr 1,500

To Purchases Return 1,500

Cash a/c Dr 8,000

To Sales a/c 8,000

Drawings a/c Dr 2,000

To Cash a/c 2,000

Cash a/c Dr 12,000

Hiresh a/c 12,000

Rent a/c Dr 4,000

To Bank a/c 4,000

Cash a/c

PARTICULARS	AMT	PARTICULARS	AMT
To Capital a/c	60,000	By Bank a/c	25,000
To Sales a/c	8,000	By Drawings a/c	2,000
To Hiresh a/c	12,000	By Balance	53,000
	80,000		80,000

34

CASH BOOK

RECEIPTS		CASH	BANK	PAYMENTS		CASH	BANK
To Balance		18,000	22,500	By Purchases a/c			7,500
To Cash a/c	C		5,000	By Stationery a/c		1,300	
To Rafeeque a/c			6,000	By Bank a/c	C	5,000	
To Commission a/c		2,000		By Insurance a/c		3,500	
To Interest a/c			1,300	By Furniture a/c		7,500	
				By Sreejith a/c			4,200

			By Drawings a/c			1,300
			By Bank Charges a/c			300
			By Balance		2,700	21,500
		20,000	34,800		20,000	34,800