



Score

(8×1=8)

Answer any 8 questions from 1 to 10. Each carries 1 score.

1. Use of a common unit of measurement and common format of reporting promotes which qualitative characteristics of accounting
 - a) Comparability
 - b) Understandability
 - c) Relevance
 - d) Reliability
2. Omission of paise and showing the round figure in financial statement is based on
 - a) Consistency concept
 - b) Money measurement concept
 - c) Dual aspect concept
 - d) Materiality concept
3. The accounting process of transferring the Debit and Credit amounts from the Journal to their respective Ledger accounts is known as :
 - a) Balancing
 - b) Journalizing
 - c) Casting
 - d) Posting
4. Goods returned by a customer will be recorded in which of the following subsidiary books ?
 - a) Sales Book
 - b) Sales Returns Book
 - c) Purchases Returns Book
 - d) Journal Proper
5. When balancing a Ledger account, if the Debit side total is greater than the Credit side total, it indicates a
 - a) Credit balance, written on the Credit side
 - b) Debit balance, written on the Debit side
 - c) Credit balance, written on the Debit side
 - d) Debit balance, written on the Credit side
6. It is a system of paying advance at the beginning and reimbursing the amount spent from time to time to the petty cashier.
Identify the system
 - a) Financial System
 - b) Cash System
 - c) Imprest System
 - d) Federal System



Score

7. The main purpose of preparing a Bank Reconciliation Statement is
- To know the bank balance
 - To correct the cash book
 - To detect errors made by bank officials
 - To identify the causes of differences between cash book and pass book
8. If a transaction is recorded with the correct accounts but the incorrect amount (e.g., Rs. 560 instead of 650), it is an example of an
- Error of Omission
 - Error of Commission
 - Error of Principle
 - Compensating Error
9. Which among the following is not an objective of preparing Trial Balance ?
- To check the arithmetical accuracy of Ledger accounts
 - To know the financial position of the business
 - To help in the preparation of financial statements
 - To help in locating errors
10. Under _____ method depreciation goes on reducing from year to year.

Answer any 5 questions from 11 to 16. Each carries 2 scores.

(5×2=10)

11. In every business we can find some assets which can be easily realised in to cash,
- Identify the name of such asset.
 - List any two examples of such assets.
12. Praveen constructed a building for Rs. 6,00,000 for his new business concern. After 3 years the Market value of the building is enhanced to Rs. 9,00,000.
- If you are the accountant, which amount appears in the books ?
 - What is the accounting principle support your recording ?
13. List out any two advantages of GST.

**Score**

14. Explain "Sales day book". Write an example for transaction recorded in sales day book.
15. Give any two situations which increases the pass book balance while preparing a bank reconciliation statement.
16. i) "Anticipates no profit and provide for all possible losses." Identify the accounting concept stated here.
ii) List any one such practice of applying this concept in accounting.

Answer any 5 questions from 17 to 22. Each carries 3 scores.

(5×3=15)

17. Every transaction has two aspects which will be recorded in the books of accounts.
- Identify and explain the accounting concept referred to above.
 - Give a suitable example to prove the statement.
 - Also list out the two aspects of your example.
18. Complete the following table with the help of given hint.

No.	Transaction	Name of special journal
1.	Purchased goods from Raj for cash	Cash Book
2.	Goods sold to Rajan on Account	
3.	Rent paid by cheque	
4.	Goods purchased from Rajesh were returned	

19. Write a short note on Bank reconciliation Statement. List out any two objectives of preparing a Bank reconciliation Statement.
20. Write any three differences between a journal and a ledger.
21. From the following transactions, identify the type of error.
- Wages paid for making additions to machinery Rs. 1,500 was debited to wages account.
 - Sales account was given an excess credit by Rs. 1,600 and at the same time, Rent received account was totalled short by Rs. 1,600.
 - A credit purchase of Rs. 10,000 from Ashok Agencies was not recorded at all.

22. "It is a type of reserve which is created out of revenue profit."

- a) Identify the name of reserve.
- b) How does it differ from Capital reserves (Any two differences) ?

Answer any 4 questions from 23 to 27. Each carries 4 scores.

(4×4=16)

23. a) Define Accounting.

- b) Briefly explain any three objectives of accounting.

24. State which principles/concepts are applicable in the following cases. Also give a brief explanation about the Principle/concept.

- a) Creation of provision for doubtful debts.
- b) Capital brought by the owner is treated as a liability.
- c) Method of calculation of depreciation is not changing year after year.
- d) Accounting should focus on material facts.

25. Rectify the following errors by passing proper rectification entries.

- a) Wages paid for the installation of machinery was debited to wages account Rs. 4,000
- b) Cash paid to Anagha Rs. 5,000 was debited to Kanaha account
- c) Purchase of goods from Das for Rs. 4,000 on credit was recorded as cash purchase
- d) A bill for Rs. 500 issued was not entered in the bills payable book.

26. Write any four causes of differences between cash book balance and pass book balance.

27. On 1st April, 2020 ABC Ltd. purchased machinery for Rs. 2,90,000 and spent Rs. 10,000 on its installation. After using it for 3 years, it was sold for Rs. 2,00,000 on March 31, 2023. Depreciation is to be provided at 10% on fixed instalment method.

- a) Pass a journal entry for recording the purchase of machinery.
- b) Find the amount of profit/loss on sale of machinery assuming that the accounting year closes on 31st March every year.

**Score****(3×5=15)**

Answer any 3 questions from 28 to 31. Each carries 5 scores.

28. Give two examples for each of the following terms

- i) Revenue
- ii) Gain
- iii) Short-term liability
- iv) Fixed assets
- v) Current assets.

29. Enter the following transactions in the purchase book of M/s. Naz foot wear 2024

May 1 Purchased from Simla Traders as per invoice No. 754

30 Umbrella @ ₹ 230 each

20 Leather bags @ ₹ 560 each

30 School bags @ ₹ 200 each

Trade discount 8%

17 Purchased from Govinda Pai & Sons as per invoice No. 864

12 Pairs of leather shoes @ ₹ 900 per pair

Trade discount 10%

30. From the following particulars, prepare Bank Reconciliation Statement.

- 1) Balance as per Cash Book ₹ 12,600
- 2) Cheques issued but not presented for payments ₹ 3,030
- 3) Cheques deposited but not credited ₹ 2,500
- 4) Bank charges ₹ 180 has not been entered in the cash book
- 5) The debit side of the cash book (bank column) has been undercast by ₹ 300
- 6) A cheque for ₹ 1,200 paid to Mr. Avinash has been wrongly debited to the cash book.



31. You are given the ledger balances. Prepare Trial Balance.

Account	Amount
	₹
Cash in hand	25,000
Purchases	90,000
Capital	70,000
Machinery	45,000
Sales	1,40,000
Furniture	50,000
Stock in trade	30,000
Investment	20,000
Rent received	5,000
Bank overdraft	45,000

Answer any 2 questions from 32 to 34. Each carries 8 scores.

(2×8=16)

32. Prepare a double column cash book.

01/Jan/2013 Opening balance

Cash in hand Rs. 32,000

Cash at bank Rs. 17,500

01/Jan/2013 Cash sales Rs. 32,000

02/Jan/2013 Bought goods for cash Rs. 20,000

02/Jan/2013 Cash deposited in bank Rs. 20,000

03/Jan/2013 Creditors were paid by cheque Rs. 5,000

04/Jan/2013 Interest credited by bank Rs. 1,000

05/Jan/2013 Bank charges Rs. 100

06/Jan/2013 Commission received by cheque Rs. 3,000

07/Jan/2013 Withdraw for personal purpose Rs. 1,000.



33. i) Define depreciation.
- ii) Write any three needs for charging depreciation on assets.
- iii) Jain & co. purchased a machinery for Rs. 21,000 on 1st January, 2018. The estimated life of machinery is 10 years and after which the scrap value is Rs. 1,000 and depreciation is by the fixed instalment method. On 1st July 2020 the machinery was sold for Rs. 15,000. Prepare the machinery account for the years 2018, 2019 and 2020.
34. Prepare a Journal for the following transactions.
- 01-Jan-2024 Ajith started business with cash Rs. 1,00,000
- 03-Jan-2024 Deposited cash into bank Rs. 40,000
- 05-Jan-2024 Purchased goods Rs. 20,000 from Ram & Co.
- 08-Jan-2024 Salary paid Rs. 2,000
- 10-Jan-2024 Commission received Rs. 5,000
- 15-Jan-2024 Furniture purchased from Joel on account for Rs. 10,000
- 20-Jan-2024 Withdrew cash from bank of private use Rs. 4,000
- 30-Jan-2024 Sold goods for cash Rs. 40,000.
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