



Score

I. Answer any 8 questions from 1 to 9. Each carries 1 score.

(8×1=8)

- 1) Which of the following is a non-current asset ?
 - a) Building
 - b) Goodwill
 - c) Plant
 - d) All of these

- 2) The Cash Book used to record small payments such as conveyance, cartage, postage etc. is known as _____.

- 3) _____ is the principal book of account.

- 4) Withdrawal of goods by the proprietor for personal use will reduce _____.
 - a) Capital
 - b) Stock
 - c) Drawings
 - d) Both a) and b)

- 5) Which of the following is correct ?
 - a) Liabilities = Assets + Capital
 - b) Assets = Liabilities - Capital
 - c) Capital = Assets + Liabilities
 - d) Assets - Liabilities - Capital = Zero



6) Debit balance in the cash book means _____

- Overdraft as per Pass Book
- Overdraft as per Cash Book
- Credit balance as per Pass Book
- None of these

7) Profit on sale of fixed asset is an example of _____

- Capital reserve
- Revenue reserve
- General reserve
- Provision

8) _____ is a statement prepared to test the arithmetical accuracy of ledger accounts balances.

9) If the Trial Balance agrees, it implies that _____

- There is no error in the books
- There may be two sided errors in the books
- There may be one sided error in the books
- There may be both two sided and one sided errors in the books

II. Answer any 4 questions from 10 to 15. Each carries 2 scores.

(4×2=8)

10) Find out owner's equity.

Cash ₹ 40,000; Furniture ₹ 15,000; Machinery ₹ 2,00,000; Stock ₹ 8,000;

Due to Rohan ₹ 2,000; Bank overdraft ₹ 6,000; Salary outstanding ₹ 12,000.

11) Identify the relevant accounting concept from the following.

- Capital is regarded as a liability.
- Stock is valued at cost price or market price whichever is less.

12) Write any two advantages of written down value method of calculating depreciation.

13) What is compensating error ? Give an example.

14) Identify the transaction from the following Journal Entries :

a) Cash A/c	Dr. 4,750
Discount allowed A/c	Dr. 250
To Rahim A/c	5,000
b) Drawings A/c	Dr. 6,000
To Bank A/c	6,000

15) Give any two transactions which are recorded in journal proper.

III. Answer any 4 questions from 16 to 20. Each carries 3 scores. (4×3=12)

16) Complete the following series :

- Current Assets – Cash, _____ ? _____, _____ ? _____
- Current Liabilities – Creditors, _____ ? _____, _____ ? _____
- Intangible Assets – Goodwill, _____ ? _____, _____ ? _____

17) State any three causes of difference between bank balance as per Cash Book and Bank Pass Book.

18) Explain with an example :

- Matching concept
- Consistency concept.

19) Bekal Traders purchased a Machine for ₹ 1,70,000 on 1st April 2020 and spent ₹ 30,000 for its installation. Depreciation is provided on Straight Line Method. The salvage value of the machine after its useful life of 9 years is estimated to be ₹ 20,000. The books are closed on 31st March every year.

Calculate :

- The annual amount of depreciation
- The amount of profit/loss if the machinery is disposed on 31st March 2022 for ₹ 1,80,000.

20) Prepare a Trial Balance from the following balances :

	(₹)
Capital	30,000
Bad debts	2,000
Investments	25,000
Cash	7,000
Purchases	12,000
Return inwards	3,000
Sales	18,000
Return outwards	1,000



IV. Answer any 5 questions from 21 to 26. Each carries 4 scores.

(5×4=20)

21) a) Define Accounting. (2)

b) List down any four external users of accounting information. (2)

22) a) Mention any two advantages of GST. (2)

b) Briefly explain cash basis and accrual basis of Accounting. (2)

23) Write short notes on :
a) Contra Entry
b) Debit Note

24) Prepare accounting equation on the basis of the following :
a) Started business with cash ₹ 50,000 and goods ₹ 20,000.
b) Purchased goods from Rahul ₹ 10,000.
c) Sold goods to Abu costing ₹ 8,500 for cash ₹ 9,000.
d) Rent outstanding ₹ 5,000.

25) Pass rectification entries :
a) Purchase returns book undercast by ₹ 1,200.
b) Rent paid to landlord ₹ 4,000 was debited to landlord's account.
c) Credit purchases from Manoj ₹ 8,000 were not recorded.
d) Goods returned to Saleem ₹ 5,000 were recorded in sales returns book.

26) J. K. Sons purchased a Machinery for ₹ 2,80,000 on 1st October, 2022 and spent ₹ 20,000 for its installation. The firm writes off depreciation at the rate of 10% on original cost every year. Record necessary journal entries for the first three years assuming that the books of account are closed on 31st March every year.

V. Answer any 2 questions from 27 to 29. Each carries 6 scores.

(2×6=12)

27) a) Give any two situations which increase the pass book balance. (2)

b) Prepare a Bank Reconciliation Statement as on 31st December 2024.

(₹)

i) Debit balance as per pass book	4,800
ii) Direct payment by a customer to the bank	2,400
iii) Interest on overdraft	280
iv) Insurance premium paid by bank	600
v) Bank charges debited in pass book	400

(4)

28) a) Write any three differences between Journal and Ledger. (3)

b) Prepare Mahesh Account in the Ledger book of Suresh.

2025

(₹)

January 01	Opening balance (Credit)	10,000
05	Purchased goods from Mahesh	60,000
07	Goods returned to Mahesh	500
08	Cash paid to Mahesh	1,000
15	Cheque issued to Mahesh	40,000
31	Balance in Mahesh a/c paid in cash.	

(3)

29) a) State any two advantages of special journal.

b) Prepare a correct Cash Book after rectifying the mistakes.

Cash Book			
Dr.		Cr.	
Receipts	₹	Payments	₹
To Interest received	2,000	By Balance b/d (Opening Balance)	15,000
" Thomas A/c (Cash purchases from Thomas)	15,000	" Commission Received	2,000
" Rent (paid)	3,000	" Ashok A/c (Goods purchased on credit)	10,000
" Balance c/d (Closing Balance)	7,000		
	27,000		27,000