

General Instructions: -

1. All the questions are compulsory.
2. Answer the questions after carefully reading the text.
3. Attempt all parts of a question together.

PART-A(FINANCIAL ACCOUNTING)		
1.	how many accounts are effected in a transaction? a) one b) two c) at least two d) two or three	1
2	Long term assets having no physical existence but, possessing a value are called A) Intangible assets B) Fixed assets C) Current assets D) Investments	1
3	Which of the following is not a business transaction? a. Bought furniture of `10,000 for business b. Paid for salaries of employees ` 5,000 c. Paid sons fees from her personal bank account ` 20,000 d. Paid sons fees from the business ` 2,000	1
4	The assets which gets converted within period of 12 month _____ a) Current assets b) Fixed assets c) Intangible assets d) Investment	1
5	Direct deposit in the account of the business increases the _____ balance at first.	1
6	If we take goods for own use we should: (A)Debit Drawing a/c & Credit Purchase a/c (B) `Debit Drawing a/c & Credit Stock a/c (C) Debit sales a/c & Credit stock a.c (D) Debit Purchase account and credit Drawing a/c	1
7	If a trial balance totals do not agree, the difference must be entered in: (A)The Profit & Loss account (B) A Nominal account (C)The Capital account (D) The suspense account	1
8	A bank reconciliation statement is prepared by:- (a) Creditors (b) Bank (c) Account holder in a bank	1

	(d) Debtors	
9	According to which concept , depreciation is to be charged as per one particular method year to year. a) Realisation b) Consistency c) Going Concern d) Cost	1
10	The amount paid to the petty cashier at the beginning of a period is known as _____ amount.	1
11	If wages paid for installation of new machinery is debited to wages Account, it is an error of -----. a) Commission b) Principle c) Omission d) Partial Omission	1
12	'Provision' is a charge against profit. State True or False.	1
13	Bank Reconciliation is a part of Double entry system. State true or false	1
14	Sale of office furniture is credited to _____ (a) Office furniture a/c (b) Sales a/c (c) Cash a/c (d) None of the above	1
15	An asset was purchased for Rs 5,00,000 and as per reducing balancing method, 20% depreciation is to be charged each year. What will be the value of asset, at the end of three years. (a) Rs 3,50,000 (b) Rs 2,56,000 (c) Rs 4,00,000 (d) Rs 3,20,000	1
16	Errors of omission does not affect trial balance True / False	1
17	(a) Discuss the concept-based on the premise 'do not anticipate profits but provide for all losses'. (b) What is matching concept? Why should a business concern follow this concept?	3
18	Give one example of the following types of transactions: i) Increase in one liability and decrease in another liability. ii) Increase in one asset and decrease in another asset. iii) Decrease in asset and decrease in liability	3
19	Explain the three branches of Accounting?	3
20	Identify and state the errors that have occurred in the following transactions: 1. Minor repairs to building debited to building account. 2. Wages paid Rs 500 recorded with Rs 50. 3. Depreciation charged but credited to Assets a/c only.	3
21	Journalise the following transactions:- (a.) Out of rent paid, Rs. 3,000 are related to next year (b.) Goods costing Rs. 8,000 sold to Naresh at a trade discount of 20% and cash discount of 5%. (c.) Received a commission of Rs. 2,500 from Mahesh. (d) Received Rs 600 from a debtor, which had been written off as bad debt previous year.	4
22		6

	Prepare a Double Column Cash Book having Cash and Bank columns from the following Transactions: - 2020 Jan 1 Cash In hand Rs. 18,000 Bank Overdraft Rs. 8,000 Jan 5 Goods costing Rs. 25,000 sold at a trade discount of 20%. Jan 9 Cash deposited in to bank Rs. 15,000. Jan 10 Goods costing Rs. 15,000 sold to Deepak at a Trade discount of 25%. Jan 15 Received a cheque of Rs. 9,000 from Deepak. Jan 17 The above cheque was deposited into bank. Jan 20 Deepak's Cheque was dishonoured by bank and bank charged Rs. 200 as bank Charges. Jan 22 Withdrew Rs. 2,000 from bank for personal use and Rs. 3,000 for office use Jan 30 Deposited with bank the entire balance after retaining Rs. 5,000 cash in hand.																																	
23	On 31 st December 2019, the pass book of Vishal showed a bank overdraft of Rs.8,000. From the following particulars, prepare a bank reconciliation statement. (a.) Out of total cheques issued, cheques for Rs.4,200 have not presented for payment so far. (b.) Cheques paid into bank for collection amounted to Rs. 18,000, but cheques of Rs.5,300 were credited on 3 rd January 2020 (c.) A cheque of Rs.800 was banked and credited, but omitted to be recorded in cash book. (d.) Interest on overdraft charged by bank Rs.300. (e.) A cheque of Rs.1700 debited in cash book but was omitted to be banked. (f) Amount wrongly credited by bank, Rs.400.	6																																
24	A limited purchased a machinery on 1 st August, 2015 for Rs. 90,000. On 1 st October, 2016 it purchased another machine for Rs. 40,000. On 30 th June, 2017 it sold off the first machine purchased in 2015 for Rs. 58,000 and on the same date purchased a new machinery for Rs. 1,00,000. Depreciation is provided at 20% p.a. on the original cost each year. Accounts are closed each year on 31 st March. Show the Machinery Account for three years.	6																																
25	Prepare a Trial Balance from the following balances as at 31 st March 2017:- <table><tr><th>Name of accounts</th><th>Amount (Rs.)</th></tr><tr><td>Capital</td><td>3,20,000</td></tr><tr><td>Fixed Assets</td><td>1,80,000</td></tr><tr><td>Drawings</td><td>60,000</td></tr><tr><td>Debtors</td><td>2,40,000</td></tr><tr><td>Creditors</td><td>1,80,000</td></tr><tr><td>Purchases</td><td>3,15,000</td></tr><tr><td>Sales</td><td>7,50,000</td></tr><tr><td>Bank Balance</td><td>45,000</td></tr><tr><td>Cash in hand</td><td>30,000</td></tr><tr><td>Salary</td><td>1,65,000</td></tr><tr><td>Rent</td><td>1,20,000</td></tr><tr><td>Royalty</td><td>109000</td></tr><tr><td>Loan given to Mahesh</td><td>130000</td></tr><tr><td>Rent received in advance</td><td>5000</td></tr><tr><td>Receivables</td><td>35000</td></tr></table>	Name of accounts	Amount (Rs.)	Capital	3,20,000	Fixed Assets	1,80,000	Drawings	60,000	Debtors	2,40,000	Creditors	1,80,000	Purchases	3,15,000	Sales	7,50,000	Bank Balance	45,000	Cash in hand	30,000	Salary	1,65,000	Rent	1,20,000	Royalty	109000	Loan given to Mahesh	130000	Rent received in advance	5000	Receivables	35000	6
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	Loan from SBI Bank overdraft Depreciation Outstanding Salary Bad Debts Prepaid Insurance Commission Received Fuel Interest on loan	100000 74000 5000 15000 8000 5000 6000 1800 1200		
OR The following errors were identified in the books of Puneet. Pass necessary entries to rectify them (a) Rs 2,000 paid for rent has been debited to Landlord's account (b) Rs 4,000 paid in cash for a printer was charged to Office Expenses account (C) Rs 5,000 received from Das has been wrongly entered as received from Ghosh. (d) Repairs of Rs 6,250 made were debited to Building account.				

PART-B(FINANCIAL ACCOUNTING II)

26	Closing stock is valued at (a) Cost (b) Net realisable value(market value) (C) Cost or market value (whichever is more) (d) Cost or market value (whichever is less)	1
27	Balance Sheet is prepared to find out the (a) Financial performance (b) Net Profit © Net loss (d) Financial position	1
28	Asset account always shows _____ balance.	1
29	Define indirect expense.	1
30	Calculate Closing Stock from the following details:- Opening Stock Rs 20,000 Cash Sales Rs 60,000 Purchases Rs 70,000 Credit Sales Rs 40,000 Rate of Gross Profit on sale is 25%	3
31	Calculate the Gross Profit and Cost of goods sold from the following information Net Sales Rs 1,00,000 Gross Profit is 25% of cost.	
32	State differences between Capital Expenditure and Revenue Expenditure	3
33	Give journal entries for the following adjustments in final accounts (a) Salaries Rs 6,000 outstanding (b) Insurance Rs 2,500 is paid in advance (c) Commission earned but not received Rs 500. (d) Rs 5,000 for rent have been received in advance.	4

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From the following Trial Balance of Mohan, prepare Trading and Profit & Loss Account for the year ending 31st March 2015 and a Balance Sheet on the same date after making necessary adjustments: -

Name of Account	L. F.	Dr. Amount (Rs.)	Cr.Amount(Rs.)
Stock on 01-04-2014		40, 000	----
Capital		---	1, 50, 000
Purchase		80, 000	----
Sales		----	1 60, 000
Wages		20, 000	----
Salaries		40, 000	----
Outstanding Salaries		----	4, 000
Import Duty		2, 000	----
Carriage Outwards		3, 000	----
Loan		----	50, 000
Investment		40, 000	----
Debtors		62, 000	----
Creditors		----	30, 000
Bad debts		3, 000	----
Provision for doubtful debts		----	4, 000
Fire Insurance		5, 000	----
Life Insurance		7, 000	----
Advertisement		10, 000	----
Goodwill		8, 000	----
Machinery		50, 000	----
Returns Inwards and Return Outwards		3, 000	2, 000
Cash			
B/R		7, 000	
Interest on Loan		15, 000	----
		5, 000	----
		-----	-----
		4, 00, 000	4, 00, 000

Adjustments: -

1. Closing Stock was valued at Rs. 40,000(Market Price Rs. 50,000)
2. Wages were paid for 10 months only.
3. Create a Provision for Bad and Doubtful debts on Debtors @5%.
4. Depreciate Machinery by 12%.

OR

From the following balances of R Ltd and adjustments, prepare Trading and Profit & Loss Account for the year ending 31.03.2021 and Balance Sheet as on that date

Particulars	Rs	Particulars	Rs
Opening Stock	15,000	Rent	4,000
Purchases	1,09,000	Rent Outstanding	600
Sales	1,80,000	Provision for Doubtful Debts	1,000
Manufacturing Wages	8,000	Furniture	5,000

		(Purchased on 01.10.2020 for Rs 1,000)			
Fuel, power, light	12,000	Bills Receivable	6,000		
Salaries	11,000	Bills Payable	1,600		
Bad Debts	500	Machinery	72,000		
Income Tax	5,500	Sundry Debtors	28,000		
Loan to Manav	5,000	Sundry Creditors	13,000		
Interest on Loan to Manav	300	Capital	1,00,000		
Commission Received	4,500				
Cash in hand	20,000				

Adjustments

(a) Closing Stock at cost was Rs 35,000. Its net realisable value (market value) was Rs 30,000.

(b) Write off further Rs 500 as bad debt.

(e) Depreciate furniture by 10% p.a

(f) Salaries for the month of March, 2021 were outstanding