



Instructions:

1. The question paper contains four parts A, B, C and D. Part – A consists of four sections I, II, III and IV.
2. Provide working notes wherever necessary.
3. 15 Minutes extra has been allotted for candidates to read the questions.
4. Figures in the right-hand margin indicate full marks.

PART – A

I. Choose the correct answer from the choices given:

(5x1=5)

1. Management accounting _____.
a) Is a clerical work
b) Is accounting for future
c) Is a recording technique of management related transactions
d) Is an analysis of the past business activities
2. Accounting equation is based on _____.
a) Cost concept
b) Separate entity concept
c) Dual aspect concept
d) Accrual concept
3. Rent paid to landlord is credited to which account?
a) Rent account
b) Landlord account
c) Cash account
d) Bank account
4. Passbook is a copy of
a) Copy of customer Account
b) Bank column of cash book
c) Cash column of cash book
d) Copy of receipts and payments
5. When benefit of an expenditure exhausted within one year, it is called as _____.
a) Capital Expenditure
b) Revenue Receipt
c) Revenue Expenditure
d) Capital Receipt

II. Fill the blanks by choosing the appropriate answers from those given in the brackets.

(5x1=5)

[Omission, Compensating, Sales, Posting, Full Disclosure, Accrued]

6. _____ concept requires that all material and relevant facts of an enterprise must be fully and completely disclosed in the financial statements.
7. The process of transferring journal entry to individual account is called_____.
8. Outward invoice is the basis for recording _____book.
9. When two or more errors are committed in such a way that the net effect of these errors on the debit and credit of account is nil, such errors are called _____errors.
10. Incomes earned but not received are called as_____incomes.

III. Match the following**(5x1=5)**

- | 11. A | B |
|------------------|---|
| a) Assets | i) Withdrawal exceeds deposits |
| b) Provisions | ii) Purchases returns |
| c) Debit Note | iii) Income Statement |
| d) Balance Sheet | iv) Economic Resources of an Enterprise |
| e) Overdraft | v) Charge against profits |
| | vi) Position Statement |

IV. Answer the following questions in one word or one sentence each.**(5x1=5)**

12. Expand IGST.
13. What are current assets?
14. Name any one type transaction recorded in the journal proper.
15. State any two users of accounting.
16. Increase in liability is debited (State True/false)

PART - B**V. Answer any THREE questions, each question carries 2 marks:****(3x2=6)**

17. Distinguish between Debtor and Creditor.
18. What do you mean by basic Accounting equation?
19. Give any two examples for errors committed by the bank in pass book.
20. Why do we prepare Trading and Profit and Loss Account?
21. Give the meaning of outstanding expenses.

PART – C**VI. Answer any THREE questions, each question carries six marks:****(3x6=18)**

22. Classify the following into Assets, Liabilities, Capital, Expenses /Losses and Revenue/Gains.

- | | |
|---------------------------------|--------------------------|
| a. Land and buildings A/c | g. O/S Salary A/c |
| b. Commission paid A/c | h. Patents A/c. |
| c. Rent received in advance A/c | i. Interest received A/c |
| d. Bills payable A/c | j. Sales A/c |
| e. Purchases A/c | k. Bank overdraft |
| f. Drawings A/c | l. Creditors A/c |

23. Prepare the sales book for the month of February 2023 in the books of Jainath traders
2024

Feb.05 Sold 4 bags of wheat flour @ ₹ 500 each to Ashoka hotel @ 5% trade discount.

Feb.12 Sold 2 boxes of spices at ₹ 800 per box to Amith on account and also spent ₹ 200 for packing.

Feb.19 Vikas bought from us 5 kg coffee powder at ₹ 700 per kg @ 8% trade discount.

Feb.20 Sold to Hema 5kg of sugar at ₹ 35 per kg. For cash.

Feb.28 Sold 4 bags of rice at ₹ 3,000 per bag to Rajesh.

24. Enter the following transactions in an Analytical Petty cash book under imprest system:

Date		₹
1.10.2019	Received cash from main cashier	1000
9.10.2019	Paid for postal stamps	240
15.10.2019	Purchased pen and pencil	220
20.10.2019	Auto fare	140
28.10.2019	Refreshment expenses	300

25. Prepare a Trial balance from the following balances relating to Mr. Raman as on 31-03-2024:

Sl. No	Particulars	Balance (₹)
1	Mr. Ramananda's Capital	1,45,000
2	Stock of goods	70,000
3	Motor car	1,20,000
4	Bad debts	7,000
5	Sales	2,00,000
6	Cash at bank	90,000
7	Cash in hand	12,000
8	Rent	35,000
9	Discount earned	4,000
10	Carriage	15,000

26. Prepare Balance Sheet of Mr. Vishnu as on 31-3-2024.

Account	₹	Account	₹
Capital	50,000	Drawings	10,000
Land & Building	20,000	Machinery	20,000
Furniture	10,000	Bills receivable	5,000
Cash in hand	5,000	Bank OD	6,000
Sundry creditors	10,000	Closing stock	11,000
Bank loan	10,000	Net Profit	5,000

PART-D

VII. Answer any THREE questions, each question carries 12 marks

(3x12=36)

27. Journalise the following transactions in the books of Mahaveer Traders.

Date	Transactions	₹
2024		
Jan. 01	The business started with cash	2,00,000
Jan. 02	Opened bank Account with SBI	10,000
Jan. 05	Purchased goods for cash	20,000
Jan. 08	Sold goods to Yaduveer	40,000
Jan. 10	Goods returned from Yaduveer	4,000
Jan. 11	Cash received from Yaduveer 35,000 in full settlement of his A/c Paid for stationery	-
Jan. 14		2,000
Jan. 15	Paid rent by cheque	8,000
Jan. 22	Drew for personal use	6,000
Jan. 25	Purchased Furniture on credit from Royal Oak, Mysore	20,000
Jan. 31	Salary outstanding	20,000

28. Record the following transactions in the two column cash book and balance it:

Date	Particulars	₹
2024		
June 01	Cash balance	40,000
	Bank balance	2,30,000
June 04	Insurance premium paid by cheque	6,000
June 08	Issued a cheque for goods purchased	28,000
June 11	Sold goods and received cheque from Raman	20,000
June 16	Sold goods to Sharma and get the amount transferred to our bank account	36,000
June 20	Cash withdrawn from bank for office use	14,000
June 24	Bought goods from Amar on credit	65,000
June 25	Sold goods to Ravi and received cheque	58,000
June 27	Ravi's cheque deposited in to the bank	
June 30	Paid to Amar by cheque in full settlement of his account	64,000

29. Enter the following transactions in the Purchases book, Purchases return book, Sales book and Sales return book: 2024

- Dec. 01 Goods sold to Neena ₹6,000.
- Dec. 02 Purchased goods from Meena ₹ 16,000.
- Dec. 03 Bought goods from Rheena ₹ 18,000 less trade discount 10%.
- Dec. 06 Goods returned to Meena ₹ 1,500.
- Dec. 08 Goods sold to Suhana ₹ 10,000 less discount 10%.
- Dec. 10 Goods purchased from Sheethal traders ₹ 7,000.
- Dec.13 Returned goods from Suhana ₹ 1,000.
- Dec.15 Sold goods to Haritha ₹ 6,000 less trade discount @ 5%.
- Dec. 18 Goods purchased from Ganesh ₹ 5,000.
- Dec. 20 Goods returned from Haritha ₹ 300.
- Dec. 22 Old machinery sold to Hubballi Steels on credit ₹ 12,000.
- Dec. 24 Kholi purchased goods from us ₹ 8,000.
- Dec. 28 Neena claimed for shortage of ₹ 500.

30. From the following particulars prepare Bank Reconciliation Statement as on 31.03.2024

- a) Bank balance as per cash book ₹ 1, 00,000
- b) Cheque issued, but not presented for payment ₹ 12,000
- c) Insurance premium paid directly by the bank understanding instructions ₹ 2,000
- d) Bank charges debited in the pass book only ₹ 800
- e) Dividend on shares collected by the bank and credited in the pass book ₹ 16,000
- f) Interest credited in the pass book only ₹ 1000
- g) A cheque deposited into bank, but not collected by the bank ₹ 10,000

31. On 01-04-2020, Torino Co. Ltd., purchased a Machinery costing ₹ 45,000 and spent ₹ 5,000 for its installation. On 31-03-2022 the machinery was sold for ₹ 40,000. On 01-04-2022, the new machinery was bought for ₹ 85,000. Depreciation was charged at 10% p.a. under the Diminishing Balance Method. Accounts are closed on 31st March every year.
Prepare - i) Machinery A/c and ii) Depreciation A/c for first 4 years.

32. From the following Trial Balance of Mahesh as on 31/3/2024, prepare Financial Statements

Trial balance as on 31/3/2024

Name of the accounts	Debit ₹	Credit ₹
Capital		1,20,000
Drawings	15,000	
Bills Receivable	22,000	
Machinery	20,000	
Debtors and Creditors	60,000	58,000
Wages	39,000	
Purchases and Sales	2,52,000	3,55,000
Commission		5,500
Rent and Taxes	6,000	
Stock on 1/4/2023	90,000	
Salaries	10,500	
Travelling expenses	2,000	
Insurance	600	
Repairs	3,400	
Bad debts	3,500	
Furniture	9,000	
Returns	5,000	2,000
Cash in Hand	500	
Cash at Bank	2,000	
Total	5,40,500	5,40,500

Adjustments:

- 1] Stock on hand on 31/3/2024 was ₹ 1, 00,000.
- 2] Create 5% provision on debtors.
- 3] Commission earned but not received ₹ 500.
- 4] O/S wages ₹1000 and salaries ₹ 1,500.
- 5] Depreciate machinery by 5% and furniture by 10%.
