GENERAL INSTRUCTIONS:
1. ALL QUESTIONS ARE COMPULSORY.
2. MARKS FOR EACH QUESTION ARE INDICATED AGAINST IT.
3. DRAW PROPER FORMAT WHEREVER NECESSARY.

Q1. Name any two errors that do not affect the trial balance.  

Q2. Give one importance of Accounting standards (A.S) issued by I.C.A.I.  

Q3. A Bank Reconciliation statement is prepared:
A. To ascertain the causes for the difference in the cash columns of the cash book and the bank columns  
B. To establish the causes of the difference between the cash balance and the pass book balance 
C. To establish the causes between the balances shown by the bank columns of the cash book and that shown by the pass book.  

Q4. What is imprest money in petty cash book?  

Q5. Cash bases of accounting means:
A. A system in which accounting entries are made only when cash is received or paid.
B. A system in which accounting entries are made on the basis of amounts having become due for payments or receipts.
C. Cash basis considers the revenue as realized when the goods are sold.  

Q6. Amrita and Anam were running a Non - Trading Organization (an NGO) to provide stationary and school suppliers to the people living in a small village in Saputara District. They wanted all the children including the girls of that village to be literate. They wanted to promote more and more employment in that school.

A. Identify any 2 values from the above paragraph.  
B. Give any two points of difference between Receipts and Payments A/c and Income and Expenditure A/c.  

Q7. Explain the following terms: 
A. Current liabilities  
B. Revenue  
C. Drawings  

Q8. From the following information calculate C.O.G.S and G.P:
Opening stock Rs 60,000; Purchases Rs 1, 20,000; Sales Rs 1, 80,000
Sales return Rs 20,000; Purchase return Rs 20,000; Closing stock Rs 73,200;
Wages Rs 10,000; Carriage inwards Rs3, 000; Salaries Rs 1,500.
Q9. Journalize the following transactions:
1) Paid rent to landlord Rs 2000
2) Outstanding salary Rs 500
3) Received Rs 800 which were written off as bad debts in the previous years.

Q10. Give Accounting Equation for the following transactions.
A. Started business with Cash Rs. 2,00,000 and Goods Rs. 1,00,000
B. Purchased building worth Rs. 1,00,000 by paying Rs. 40,000 in cash and balance on later date.
C. Rent Rs. 2,000 was paid in advance.

Q11. A. Name the different users of Accounting Information.
B. Give two advantages of Accounting.

Q12. How will you design the following Accounting Reports in Tally?
A. Displaying Sales Register
B. Displaying Trial Balance
C. Displaying Profit and Loss Account
D. Displaying Balance Sheet

Q13. Calculate the amount of subscription received during the year 31st December 2013:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>1,600</td>
</tr>
<tr>
<td>2013</td>
<td>84,400</td>
</tr>
<tr>
<td>2014</td>
<td>3,200</td>
</tr>
<tr>
<td>Total</td>
<td>89,200</td>
</tr>
</tbody>
</table>

There were 450 members paying an annual subscription of Rs. 200. Rs. 1,800 was in arrears for 2012 at the beginning of 2013.

Q14. On 31 December 2010 the cash book of Mr. Tim Halls showed an overdraft of Rs 5,600. From the following particulars make out a bank reconciliation statement.

1) Checks drawn not cashed before 31 December 2010 amounted to Rs 3,946
2) Checks paid into the bank but not collected and credited before 31 December 2010 amounted to Rs 4,891.
3) Debit is made in the passbook for Rs 120 for interest on overdraft
4) The bank collected interest on investment and credited Rs 700 in passbook
5) One customer Mr. Rajesh deposited Rs 2000 into the bank without the knowledge and the same was recorded in the passbook only.

Q15. Krishna started his business on 1 January 2012 with capital of Rs 1,10,000. On 1 July 2012 he borrowed Rs 80,000 from his friend on interest @ 12% p.a (which is not yet paid) on 31 December 2012 his position was as follows:-
Cash in Hand Rs 18,000
Stock Rs 86,000
Debtors Rs 1,27,200
Creditors Rs 13,500.
He withdrew Rs 36,000 for his domestic use during the year.
Ascertain his profit or loss at the end of the year.

Q16. B purchased goods from A worth Rs 28,000 on 1st August 2013 and accepted a bill of exchange for the same which is payable after 2 months. On 27th September B requested A to cancel the bill and further requested to accept Rs. 10,000 in cash immediately. A agreed to B’s request provided that B pays Rs 500 in cash as interest. B agreed and accepted a new bill for the balance which is payable after one month. On the due date B honored his acceptance. Journalize the transactions in the books of A.
7. Explain:
   1. Revenue recognition concept
   2. Money measurement concept
   3. Historical concept.

Q18. A. How can computer be used in accounting system?
     B. Differentiate between manual and computerized accounting?

Q19. Prepare Triple Column cash book from the following transactions

   2013
   April 1  Cash in hand Rs 1,200, overdraft at bank Rs 15,000
   April 6  Received a cheque from Roshni Rs 2,450
            Allowed her discount at Rs 50
   April 9  Sale of old furniture, payment received by cheque Rs 720
   April 12 Withdrew from bank for office dues Rs 1000
   April 15 Bought goods for cash Rs 2,500
   April 16 Paid to Mr M Rs 1,350.
            Discount received Rs 150
   April 20 Paid rent Rs 500

Q. 3. Rectify the following errors:

1) Purchased goods worth Rs 7,500 from Mr Radha Krishna correctly recorded in the purchase
   book but not posted to the personal account.
2) Sales book was overcast by Rs 751.
3) Wages paid Rs 1000 for installation of machinery was debited to wages Account
4) Credit sales to Kiran Rs 16,000 were recorded in the purchase book as Rs 10,000
5) Depreciation written off on furniture Rs 6,000 was not posted to furniture Account
6) Credit Sales to Mohan Rs 7,000 were not recorded.

Q21. Green Ltd purchased machinery on 1 May 2006 for Rs 60,000. On 1 July 2007 it purchased another machine
     for Rs 20,000. On 31 March 2008, it sold off the first machine purchased in 2006 for Rs 38,500 and on the same
     date purchased a new machinery for Rs 50,000. Depreciation is provided at 20% p.a on the original cost each year.
     Accounts are closed each year on 31 December. Show Machinery Account of three years.

OR

You are given the following balances on 1 April 2008
Machinery A/C  Rs 5,00,000
Provision for Depreciation A/c  Rs1, 16,000
Depreciation is charged on machinery at 20% p.a by the diminishing balance method. A piece of machinery
purchased on 1 April 2006 for Rs 1,00,000 was sold on 1 October 2008 for Rs 60,000. Prepare the Machinery
Account and Provision for Depreciation Account for the year ended 31 March 2009. Also prepare the
Machinery Disposal Account.
Q22. From the following Receipts and Payments Account of Rotary Social Club prepare an Income and Expenditure Account and ascertain Capital Fund for the year ended 31st March 2012

**Rotary Social Club**

**RECEIPTS AND PAYMENTS ACCOUNT**

*For the year ended 31st March 2012*

<table>
<thead>
<tr>
<th>Receipts</th>
<th>Amount</th>
<th>Payments</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>To opening Balance</td>
<td>15,000</td>
<td>By Salaries</td>
<td>43,000</td>
</tr>
<tr>
<td>In Hand</td>
<td>20,000</td>
<td>By Rent</td>
<td>17,500</td>
</tr>
<tr>
<td>At Bank</td>
<td>78,000</td>
<td>By Stationary and Postage</td>
<td>7,000</td>
</tr>
<tr>
<td>To Subscriptions</td>
<td>2010-2011</td>
<td>5,000</td>
<td>By Bicycle Purchased</td>
</tr>
<tr>
<td></td>
<td>2011-2012</td>
<td>78,000</td>
<td>By Expense of Marriage of</td>
</tr>
<tr>
<td></td>
<td>2012-2013</td>
<td>7,000</td>
<td>poor girl</td>
</tr>
<tr>
<td>To Sale of Investments</td>
<td>20,000</td>
<td>By Closing Balance</td>
<td></td>
</tr>
<tr>
<td>To sale of Old Typewriter</td>
<td>5,000</td>
<td>In Hand</td>
<td>17,500</td>
</tr>
<tr>
<td>(Book Value Rs 7,000)</td>
<td>1,50,000</td>
<td>At Bank</td>
<td>36,000</td>
</tr>
</tbody>
</table>

Additional Information
1) Subscriptions for 2011-2012 still due were Rs 11,000
2) Rent for 2011-2012 unpaid was Rs 1,200
3) The book value of investments sold was Rs 18,000.
4) As on 1st April 2011 the club owned Building Rs. 50,000 Equipment Rs. 22,000 and Furniture Rs. 8,500

Q23. The following is the trial balance of ABC Ltd as on 31.12.13

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Dr</th>
<th>Cr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debtors</td>
<td>27000</td>
<td></td>
</tr>
<tr>
<td>Creditors</td>
<td></td>
<td>46000</td>
</tr>
<tr>
<td>Fuel and power</td>
<td>5400</td>
<td></td>
</tr>
<tr>
<td>Carriage Inward</td>
<td>2300</td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td></td>
<td>178000</td>
</tr>
<tr>
<td>Returns</td>
<td>2000</td>
<td>5000</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>300000</td>
<td></td>
</tr>
<tr>
<td>Land and Building</td>
<td>206000</td>
<td></td>
</tr>
<tr>
<td>Bills payable</td>
<td></td>
<td>8000</td>
</tr>
<tr>
<td>Bad debts</td>
<td>1000</td>
<td></td>
</tr>
<tr>
<td>Stock as on 1.1.13</td>
<td>32000</td>
<td></td>
</tr>
<tr>
<td>Purchases</td>
<td>45000</td>
<td></td>
</tr>
<tr>
<td>Apprenticeship Premium</td>
<td></td>
<td>800</td>
</tr>
<tr>
<td>Rent</td>
<td>1500</td>
<td></td>
</tr>
<tr>
<td>Discount</td>
<td>250</td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td></td>
<td>380000</td>
</tr>
<tr>
<td>Wages</td>
<td>4250</td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>1800</td>
<td></td>
</tr>
<tr>
<td>Trade Expenses</td>
<td>1300</td>
<td></td>
</tr>
<tr>
<td>General Reserve</td>
<td>12000</td>
<td></td>
</tr>
</tbody>
</table>

| Totals                     | 629800 | 629800 |
Following adjustments are to be made:

1. Closing Stock valued at Rs. 9,000
2. Further Bad Debts 2,000. Create provision for bad debts @ 10%
3. The manager is entitled to a commission of 10% of the net profit before charging such commission.
4. Depreciate Plant and Machinery @ 5% and Land and Building @ 10%.