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Quarterly Examination - 2022
ACCOUNTANCY

Max. Marks : 90

Time : 3.00 hrs.

PART - A

Answer all the questions. Choose the most suitable answer from the given four alternatives and write the option code and the corresponding answer. 20 x 1 = 20

1. A bank statement is a copy of a) cash column of the cash book b) Bank column of the cash book c) A customer's account in the bank's book d) Cheques issued by the business
2. The balance in the petty cash book is a) An expense b) A profit c) An asset d) A liability
3. Closing entries are recorded in a) Cash book b) Ledger c) Journal proper d) Purchase book
4. The difference of totals of both debit and credit side of trial balance is transferred to a) Trading account b) Difference account c) Suspense account d) None of the above
5. If the total of the debit side of an account exceeds the total of its credit side, it means a) Credit balance b) Debit balance c) Nil balance d) Debit and Credit balance
6. A firm has assets of ₹ 1,20,000 and the external liabilities of ₹ 80,000. Its capital would be a) ₹ 1,60,000 b) ₹ 60,000 c) ₹ 1,00,000 d) ₹ 40,000
7. In India, Accounting standards are issued by a) Reserve Bank of India b) The cost and Management Accountants of India c) Supreme Court of India d) The Institute of Chartered Accountants of India
8. Which one of the following is not a branch of accounting? a) Financial accounting b) Management accounting c) Human resources accounting d) none of the above
9. Balance as per cash book is ₹ 5,000. Bank charge of ₹ 250 debited by the bank is not yet shown in the cash book. What is the bank statement balance now? a) ₹ 4,750 credit balance b) ₹ 4,750 debit balance c) ₹ 5,250 debit balance d) ₹ 5,250 credit balance
10. A cash book with discount, cash and bank column is called a) Simple cash book b) Double column cash book c) Three column cash book d) Petty cash book
11. Purchases of fixed assets on credit basis is recorded in a) Purchases book b) Sales book c) Purchases return book d) Journal Proper
12. The trial balance contains the balances of a) Only personal accounts b) Only real accounts c) Only nominal accounts d) All accounts
13. The amount brought into the business by the Proprietor should be credited to a) Cash account b) Drawings account c) Capital account d) Suspense account
14. The incorrect accounting equation is a) Assets = Liabilities + Capital b) Assets = Capital + Liabilities c) Liabilities = Assets + Capital d) Capital = Assets - Liabilities
15. The concept which assumes that a business will last indefinitely is a) Business Entity b) Going concern c) Periodicity d) Conservation
16. Who is considered to be the internal user of the financial information? a) Creditor b) Employee c) Customer d) Government
17. If the debit and credit aspects of a transaction are recorded in the cash book, it is a) Contra entry b) Compound entry c) Single entry d) Simple entry
18. The total of the sales book is posted periodically to the credit of a) Sales account b) Cash account c) Purchases account d) Journal account
19. Trial balance is prepared a) At the end of the year b) On a particular date c) For a year d) None of the above
20. Real account deals with

a) Individuals persons b) Expenses and losses c) Assets d) Incomes and gains

PART - B

II. Answer any 7 questions from the following and 30th question is compulsory.

7 x 2 = 14

11. Define book-keeping.
12. Who are the parties interested in accounting information?
13. Define accounting.
14. What is bank reconciliation statement?

15. Prepare Journal entries.

2018 Jan	1	Commenced business with cash	₹ 40,000
	2	Bought goods for cash	₹ 20,000

26. Prepare opening entries for followings.

Cash a/c ₹25,000	Stock a/c ₹30,000
Debtors a/c ₹10,000	Creditors a/c ₹20,000

27. Prepare Trial balance from the following balances.

Cash in hand ₹7,000	Bad debts ₹1,000
Sundry creditors ₹4,000	Sales ₹4,000

28. Give the format of sales book.

29. What is meant by posting?

30. Give narrations for the following journal entries.

Date	Particulars	LF	Debit ₹	Credit ₹
2017	Cash A/c	Dr	5,00,000	
Jan-1	To Ram Capital A/c			5,00,000
2	Bank A/c	Dr	2,00,000	
	Cash A/c			2,00,000
	[.....]			

PART - C

III. Answer any 7 questions from the following and 40th question is compulsory.

7 x 3 = 21

31. Discuss briefly the branches of accounting.
32. Give the golden rules of double entry accounting system.
33. Pass journal entries and prepare cash account from the following.

2017	1	Commenced business with cash	₹ 1,00,000
June	10	Introduce additional capital	50,000
	28	Withdrawn for personal use	20,000

34. Complete the accounting equation.

$$\text{Assets} = \text{Capital} + \text{Liabilities}$$

- a) ₹1,00,000 = ₹80,000 + ?
- b) ₹2,00,000 = ? + ₹40,000
- c) ? = ₹1,60,000 + ₹80,000

35. Briefly explain about contra entry with examples.

36. Prepare a bank reconciliation statement.

- a) Balance as per cash book ₹8230.
- b) Cheque deposited but not cleared ₹2,000.
- c) A customer has deposited ₹1,600 into the bank directly.

37. Prepare sales book from the followings.

2020	1	Purchased goods from Mahil & Co. on credit	₹ 12,000
March	4	Sold goods to Vimal & Co. on credit	13,000

7 Sold goods to Dinesh & Co. on credit 10,100

38. Prepare Trial Balance from the followings.

	₹		₹
Bank loan	75,000	Sales	1,50,000
Sundry creditors	50,000	Sundry debtors	1,50,000
Cash	90,000	Stock	35,000

39. Distinguish between Journal and Ledger.

40. Fill in the missing information :

Date	Particulars	Dr	LF	Debit ₹	Credit ₹
 A/c	Dr		
 A/c	Dr		
	To Neya A/c				
	(Received 18,800 from in full settlement of the due ₹19,000)				

PART - D

7 x 5 = 35

IV. Answer the following :

41. a) Prepare the trial balance from the following balances of Mohan as on 31.12.2015

	₹		₹
Capital	1,24,500	Bank Overdraft	5,800
Drawings	2,000	Motor Car	20,000
Loan borrowed	7,000	General expenses	2,500
Sales	53,400	Building	1,10,000
Purchase	40,000	Stock	16,200

(OR)

b) Why are the following parties interested in accounting information?

a) Investors b) Government

42. a) Pass Journal entries in the books of Mr. Mano.

Date	Particulars	₹
2017 1	Commenced business with cash	40,000
Nov. 3	Purchased furniture for cash	10,000
4	Bought goods for cash	25,000
6	Paid rent	1,500
8	Cash withdrawn for personal use	4,000

b) Record the following transactions in the three column cash book.

Date	Particulars	₹
2017 1	Cash balance brought forward	12,600
Dec. 1	Bank overdraft brought forward	36,000
1	Advance paid to petty cashier by cheque	3,000
5	Goods sold for cash	12,000
7	Dividend on shares collected by the banks	1,000
13	Cash paid into Bank	10,000
14	Interest charged by the bank for bank o/d	1,500

43. a) Prepare analytical petty cash book from the following particulars under imprest system.

Date	Particulars	₹
2015		2,000
June 1	Received advance from cashier	100
7	Paid for writing pads and registers	50
8	Purchased white papers	200
10	Paid auto charges	

15	Paid wages	300
23	Tea expenses	10
31	Paid for carriage	150

(OR)

b) From the following particulars of Kumar traders, prepare a bank reconciliation statement as on 31st March 2019.

a) Debit balance as per cash book ₹10,500.

b) Cheque deposited in bank amounting to ₹5,500 credited by bank, but entered twice in the cash book.

c) Cheques issued and presented for payment amounting to ₹7,000 omitted in the cash book.

d) Cheque book charges debited by the bank ₹200 not recorded in the cash book.

e) Cash of ₹1000 deposited by a customer of the business in cash deposit machine not recorded in the cash book.

44. a) Bring out the differences between cash discount and trade discount. (OR)

b) Enter the following transactions in the Purchases book of Mr. Sekar Electric & Co., which deals in electric goods.

2016	7	Purchased from X Electric Co., on credit
May	10	Electric iron box @ ₹2,500 each
	19	Purchased on credit from Khaitan Electric Co., 5 electric heaters @ ₹5,000 each
	24	Purchased from Polar Electric Co., on credit 10 Fans @ ₹1,000 each
	29	Purchased from M & Co., for cash 10 Electric stoves @ ₹2,000 each

45. a) Classify the following into personal, real and nominal accounts.

a) Capital b) Building c) Carriage inwards d) Cash e) Commission received f) Bank g) Purchases
h) Seetha i) Outstanding salary j) Sales

b) Give journal entries for the following transactions and post them to cash a/c and sales A/c

2018

Aug.	10	Sold goods and cheque received but not deposited	20,000
	14	Sold goods on credit to Gopi	6,000
	20	Received cash from Gopi	12,000

46. a) State whether the balance of the following account should be placed in the debit on the credit column of the trial balance :

i) Carriage outwards ii) Carriage inwards iii) Sales iv) Purchases v) Bad debts vi) Interest paid vii) Interest received
viii) Capital ix) Discount received x) Drawings. (OR)

b) From the following transactions write up the sales book of Raj & Co. a stationary merchant.

2017	1	Sold to Anbu on credit 20 reams of white paper @ ₹150 per ream.
Jan.	2	Sold to Jagan & Co. on credit 6 dozen pens @ ₹360 per dozen.
"	10	Sold old newspapers for cash @ ₹600.
"	15	Sold on credit Nathan & Co., 10 drawing boards @ ₹170 per piece.
"	20	Sold to Kani & Co., 4 writing tables @ ₹1520 per table for cash.

47. a) "Only monetary transactions are recorded in accounting". Explain the statement. (OR)

b) Pass opening entry and prepare necessary ledgers from the following transactions.

Cash a/c ₹45,000, stock a/c ₹50,000, Sohan a/c (Dr) ₹35,000, Furniture a/c ₹50,000
Ram a/c (Cr) ₹20,000, Capital a/c ₹1,60,000