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Kumbakonam - Thanjavur District

HMD

**HALF YEARLY EXAMINATION - 2023****11** - Std**ACCOUNTANCY**

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Time : 3.00 Hrs

Marks : 90

**PART -I****I Choose the correct answer :**

(20 X 1 = 20)

- Which one of the following is not a main objective of accounting?
  - Systematic recording of transactions
  - Ascertainment of the profitability of the business
  - Ascertainment of the financial position of the business
  - Solving tax disputes with tax authorities
- In India, Accounting Standards are issued by
  - Reserve Bank of India
  - The Cost and Management Accountants of India
  - Supreme Court of India
  - The Institute of Chartered Accountants of India
- Which one of the following is representative personal account?
  - Building A/c
  - Outstanding salary A/c
  - Mahesh A/c
  - Balan & Co
- 'Cash withdrawn by the proprietor from the business for his personal use' causes
  - Decrease in assets and decrease in owner's capital
  - Increase in one asset and decrease in another asset
  - Increase in one asset and increase in liabilities
  - Increase in asset and decrease in capital
- The process of finding the net amount from the totals of debit and credit columns in a ledger is known as
  - Casting
  - Posting
  - Journalising
  - Balancing
- The trial balance contains the balances of
  - Only personal accounts
  - Only real accounts
  - Only nominal accounts
  - All accounts
- Trial balance is prepared:
  - At the end of the year
  - On a particular date
  - For a year
  - None of the above
- Sales book is used to record
  - all sales of goods
  - all credit sales of assets
  - all credit sales of goods
  - all sales of assets and goods
- Purchases of fixed assets on credit basis is recorded in
  - Purchases book
  - Sales book
  - Purchases returns book
  - Journal proper
- Cash book is a
  - Subsidiary book
  - Principal book
  - Journal proper
  - Both subsidiary book and principal book
- If the debit and credit aspects of a transaction are recorded in the cash book, it is
  - Contra entry
  - Compound entry
  - Single entry
  - Simple entry

12. A bank reconciliation statement is prepared by  
 (a) Bank (b) Business (c) Debtor to the business (d) Creditor to the business
13. When money is withdrawn from bank, the bank  
 (a) Credits customer's account (b) Debits customer's account  
 (c) Debits and credits customer's account (d) None of these
14. Errors not affecting the agreement of trial balance are  
 (a) Errors of principle (b) Errors of overcasting  
 (c) Errors of undercasting (d) Errors of partial omission
15. Which of the following errors will be rectified using suspense account?  
 (a) Purchases returns book was undercast by RS.1000  
 (b) Goods returned by Narendran was not recorded in the books  
 (c) Goods returned by Akila RS.900 was recorded in the sales returns book as RS.90  
 (d) A credit sale of goods to Ravivarman was not entered in the sales book.
16. Under straight line method, the amount of depreciation is  
 (a) Increasing every year (b) Decreasing every year  
 (c) Constant for all the years (d) Fluctuating every year
17. Depreciation is to be calculated from the date when  
 (a) Asset is put to use (b) Purchase order is made  
 (c) Asset is received at business premises (d) Invoice of assets is received
18. Pre-operative expenses are  
 (a) Revenue expenditure (b) Prepaid revenue expenditure  
 (c) Deferred revenue expenditure (d) Capital expenditure
19. Net profit of the business increases the  
 (a) Drawings (b) Receivables (c) Debts (d) Capital
20. Closing stock is valued at  
 (a) Cost price (c) Cost price or market price whichever is higher  
 (b) Market price (d) Cost price or net realisable value whichever is lower

### PART -II

**II ANSWER ANY 7 QUESTIONS (Q.NO.: 30 IS COMPULSORY). (7 X 2 =14)**

21. Define accounting.
22. What is meant by posting?
23. Mention four types of subsidiary books.
24. What is bank reconciliation statement?
25. List out the various methods of depreciation.
26. Complete the missing items.

$$\begin{array}{l}
 ? \\
 (a) \quad 1,00,000
 \end{array}
 =
 \begin{array}{l}
 \text{Liabilities} \\
 80,000
 \end{array}
 +
 \begin{array}{l}
 \text{Capital} \\
 20,000
 \end{array}$$



- (b) 2,00,000 = ? + 40,000  
 (c) ? = 1,60,000 + 80,000
27. Enter the following transactions in a single column cash book of Seshadri for May, 2017.
- 1 Cash in hand 40,000
  - 5 Cash received from Swathi 4,000
  - 7 Paid wages in cash 2,000
  - 10 Purchased goods from Sasikala for cash 18,000
  - 15 Sold goods to Sabapathi on credit 9,000
28. The following errors were detected before the preparation of trial balance. Rectify them.
- (a) Sales book is undercast by RS.100
  - (b) Sales book is overcast by RS.200
  - (c) Purchases book is undercast by RS.300
  - (d) Purchases book is overcast by RS.400
29. Pass adjusting entries for the following:
- (a) The closing stock was valued at RS.5,000
  - (b) Outstanding salaries RS.150
30. From the following information, prepare trading account for the year ended 31.12.2016.

Particulars	Rs.
Opening stock (1.1.2016)	10,000
Purchases	26,100
Sales	40,600
Carriage inwards	4,000
Closing Stock (31.12.2016)	13,500

### PART -III

- III ANSWER ANY 7 QUESTIONS (Q.NO.: 40 IS COMPULSORY). (7 X 3 =21)**
31. "Only monetary transactions are recorded in accounting". Explain the statement.
32. State whether the balance of the following accounts should be placed in the debit or the credit column of the trial balance:
- (i) Carriage outwards
  - (ii) Drawings
  - (iii) Discount received
  - (iv) Interest paid
  - (v) Purchase returns
  - (vi) Capital
33. Bring out the differences between cash discount and trade discount.
34. Distinguish between capital expenditure and revenue expenditure.
35. The following balances appeared in the books of Kumaran on April 1, 2017.
- Assets :** Cash RS. 1,00,000; Stock RS. 40,000; Amount due from Rohit RS. 10,000; Furniture RS. 10,000;

**Liabilities** : Amount due to Anush RS. 40,000

Pass the opening journal entry and post them to Capital account.

36. From the following transactions write up the Sales day book of M/s. Ram & Co., a stationery merchant. 2017

Jan. 1 Sold to Anbu & Co., on credit 20 reams of white paper @ RS. 150 per ream

Jan. 2 Sold to Jagadish & Sons on credit 6 dozen pens @ RS. 360 per dozen

Jan. 10 Sold old newspapers for cash @ RS. 620

Jan. 15 Sold on credit M/s. Elango & Co., 10 drawing boards @ RS. 170 per piece

Jan. 20 Sold to Kani & Co., 4 writing tables at RS. 1,520 per table for cash

37. Prepare analytical petty cash book from the following particulars under imprest system:

2017 July

1	Received advance form cashier	2,000
7	Paid for writing pads and registers	100
8	Purchased white papers	50
10	Paid auto charges	200
15	Paid wages	300
18	Postal charges	100
21	Purchased stationery	450
23	Paid for carriage	150

38. Find out the rate of depreciation under straight line method from the following details:

Original cost of the asset = RS. 10,000

Estimated life of the asset = 10 years

Estimated scrap value at the end = RS. 2,000

39. From the following information, prepare profit and loss account for the year ended 31st March, 2018.

Particulars	RS.	Particulars	RS.
Gross profit b/d	1,50,000	Advertisement	3,800
Carriage outward	25,500	Bad debts	8,500
Office rent	7,000	Dividend received	9,000
Office stationery	3,500	Discount received	4,600
Distribution expenses	2,000	Rent received	7,000

40. Give the golden rules of double entry accounting system.

#### PART -IV

#### IV ANSWER ALL THE QUESTIONS.

(7 x 5 = 35)

41. (A) Enter the following transactions in the journal of Manohar who is dealing in textiles: 2018 March



- 1 Manohar started business with cash 60,000
- 2 Purchased furniture for cash 10,000
- 3 Bought goods for cash 25,000
- 6 Bought goods from Kamalesh on credit 15,000
- 8 Sold goods for cash 28,000
- 10 Sold goods to Hari on credit 10,000
- 14 Paid Kamalesh 12,000
- 18 Paid rent 500
- 25 Received from Hari 8,000
- 28 Withdrew cash for personal use 4,000

**(OR)** (B) Prepare three column cash book in the books of Thiru Durairaj.  
2017, March

- 1 Cash in hand 12,000  
Cash at bank 15,000
- 2 Cash paid into bank 11,000
- 3 Goods sold RS.18,500. Half of it is received in cash and half of it is received by cheque which is immediately deposited in the bank
- 4 Sold on credit to Jayaraj for 7,000
- 8 Jayaraj sent a cheque in full settlement 6,900
- 12 Jayaraj's cheque was sent to bank
- 14 Bought goods from Iqbal and issued a cheque to him immediately 8,500
- 15 Bought goods from Murali on credit 4,000
- 19 Received a cheque of Rs.1,975 from Kannappan in full settlement of his account of RS.2,000
- 20 Drew cash RS.3,000 and by cheque RS.5,000 for personal use
- 25 Paid Rs. 1,850 to Vinod by cheque in full settlement of his account of RS.2,000

42. (A) Prepare necessary subsidiary books in the books of Niranjana and also Sachin account and Mukil account from the following transactions for the month of February, 2017.

- Feb. 1 Purchased goods from Mukil Traders on credit 12,480
- Feb. 4 Goods sold to Sachin Traders on credit 15,000
- Feb. 6 Sold goods to Manish Traders on credit 12,100
- Feb. 7 Sachin Traders returned goods for which cash is not paid 1,200
- Feb. 9 Returned goods to Mukil Traders for which cash is not received 1,500
- Feb. 10 Sold goods to Manish & Co., on credit 13,300
- Feb. 14 Purchased from Mukil Traders on credit 15,200

**(OR)**

(B) Selvi is a dealer in furniture. Show the accounting equation for the following transactions.

- (i) Started business with cash RS.1,00,000  
(ii) Deposited cash into bank RS.60,000  
(iii) Borrowed loan from bank RS.25,000  
(iv) Bought goods and paid by cheque RS.10,000  
(v) Cash withdrawn for personal use RS.5,000

43. (A) Show the direct ledger accounts for the following transactions: Aug. 2017

- 1 Dharma started business with cash 70,000  
6 Cash received from Ganesan 10,000  
10 Rent paid 3000  
20 Received commission from Anand 5000  
23 Purchased furniture for cash 4,000 (OR)

(B) Prepare trading and profit and loss account in the books of Ramasundari for the year ended 31st December, 2017 and balance sheet as on that date from the following information:

Particulars	RS.	Particulars	RS.
Opening stock	2,500	Sales	7,000
Creditors	2,700	Purchases	3,300
Wages	4,000	Salary	2,600
Closing Stock	2,500	Capital	52,000
Discount received	52,000	Cash at Bank	6,400
Machinery	8,000		
Creditors			

44. (A) The following balances are extracted from the books of Ravichandran on 31st December, 2016. Prepare the trial balance.

Particulars	RS.	Particulars	RS.
Capital	1,50,000	Sales	75,000
Debtors	22,800	Return inwards	1,000
Rent received	500	Discount allowed	800
Bank overdraft	3,100	Discount received	1,000
Creditors	5,500	Wages	2,900
Premises	1,46,000	Salaries	3,500
Opening stock	10,000	Commission paid	1,100
Purchases	45,000	General expenses	2,000

(OR) (B) Prepare bank reconciliation statement as on 31st December, 2017 from the following information:

- (a) Balance as per bank statement (pass book) is RS.25,000



- (b) No record has been made in the cash book for a dishonour of a cheque for RS.250
- (c) Cheques deposited into bank amounting to RS.3,500 were not yet collected
- (d) Bank charges of RS.300 have not been entered in the cash book.
- (e) Cheques issued amounting to RS.9,000 have not been presented for payment
45. (A) From the following balances of Niruban, prepare balance sheet as on 31st December, 2017.

Particulars	Dr . RS.	Cr. RS.
Plant and machinery	8,00,000	
Land and building	6,00,000	
Furniture	1,50,000	
Cash in hand	20,000	
Bank overdraft		1,80,000
Debtors and Creditors	3,20,000	2,40,000
Bills receivable and Bills payable	1,00,000	60,000
Closing stock	4,00,000	
Investments (short-term)	80,000	
Capital		15,00,000
Drawings	1,30,000	
Net Profit		6,20,000
Total	26,00,000	26,00,000

(OR)

- (B) Record the following transactions in the purchases book of Shanthi Furniture Mart :2017

March	1	Purchased from Mohan Furniture Mart, Madurai 20 chairs @ RS.450 each
	2	tables @ RS.1,000 each Less: Trade discount @ 10%
March	6	Purchased for cash from Welcome Furniture, Vellore 2 almirahs @ RS.2,000 each
March	7	Bought from Ramesh & Co., Royapettah 2 stools @ RS.500 each
	10	rolling chairs @ RS.200 each Delivery charges and cartage RS.150
March	20	Purchased 2 computers for office use from Anandan & Co., Adyar on credit for RS.15,550 each
March	21	Purchased from Kamal & Co., Karaikkal 10 chairs @ RS.750 each

- 15 steel cabinets @ RS.1,500 each  
Packing and delivery charges RS.250  
Less: Trade discount @ 10%
- March 25 Purchased from Jemini & Sons, Chennai  
2 typewriters @ RS.7,750 for office use.
46. (A) Enter the following transactions in a cash book with cash and discount columns: 2017
- Jan 1 Cash in hand 11,500  
Jan 5 Paid to Ramanathan by depositing in cash deposit machine 300  
Discount allowed by him 10  
Jan 8 Purchased goods for cash 400  
Jan 10 Cash received from Rajagopal 980  
Discount allowed 20  
Jan 15 Sold goods for cash 400  
Jan 21 Paid cash to Shanthi 295  
Discount received 5  
Jan 25 Paid wages by cash 50  
Jan 31 Paid to Sanjeev RS.390 in full settlement of his account 400

(OR)

(B) Pass journal entries to rectify the following errors located after the preparation of the trial balance. Assume that there exists a suspense account.

- (a) The total of sales book was undercast by RS.2,000.  
(b) The purchase of machinery for RS.3,000 was entered in the purchases book.  
(c) A credit sale of goods for RS.45 to Mathi was posted in his account as RS.54.  
(d) The purchases returns book was overcast by RS.200.  
(e) The total of sales book RS.1,122 were wrongly posted in the ledger as RS.1,222.

47. (A) M/s Ramco textile mills purchased machinery on 1st April 2014 for RS. 2,00,000 on credit from M/s. Nila & Co. and spent RS. 10,000 on its installation. Depreciation is provided at 10% per annum on the written down value method. Prepare machinery account and depreciation account for the first three years. Books are closed on 31st March every year.

(OR)

(B) Identify the following items into capital or revenue.

- (i) Audit fees paid RS.10,000.  
(ii) Labour welfare expenses RS.5,000.  
(iii) RS.2,000 paid for servicing the company vehicle.  
(iv) Repair to furniture purchased second hand RS.3,000.  
(v) Rent paid for the factory RS.12,000



**HALF YEARLY EXAMINATION - ANSWER KEY – 2023**  
**XI STANDARD – ACCOUNTANCY – ENGLISH MEDIUM**

**DR.A.VENNILA**

**PRINCIPAL**

MYDEEN MATRIC. HR.SEC. SCHOOL  
MELACAUVEY – KUMBAKONAM.

CELL NO.: 8220179521

8608481579

Time Allowed : 3 Hours

Maximum Marks : 90

**I. Choose the most suitable from the given four alternatives and write the option code and the corresponding answer** **20 x 1 = 20**

1	D	Solving tax disputes with tax authorities	11	C	Contra Entry
2	D	The Institute of Chartered Accountants of India	12	B	Business
3	B	Outstanding Salary A/c	13	B	Debits Customer's Account
4	A	Decrease in assets and decrease in owner's capital	14	A	Errors of Principle
5	D	Balancing	15	A	Purchase returns book was undercast by Rs.1,000
6	D	All Accounts	16	C	Constant for all the years
7	B	On a Particular Date	17	A	Asset is put to use
8	C	All credit sales of goods	18	D	Capital Expenditure
9	D	Journal Proper	19	D	Capital
10	D	Both subsidiary book and principal book	20	D	Cost price or net realizable value whichever is lower

**II. Answer any seven questions. Question No.30 is compulsory.** **7 x 2 = 14**

**21) Definition of Accounting:**

American Accounting Association has defined accounting “the process of identifying, measuring and communicating economic information to permit informed judgments and decisions by users of the information.”

**22) Posting – Meaning:**

☒ The process of transferring the debit and credit items from the journal to the ledger accounts is called posting.

**23) The following are the four types of subsidiary books.**

- a. Cash book
- b. Purchases book
- c. Sales book
- d. Bills receivable book

**24) Bank reconciliation statement – Meaning:**

- ☒ If every entry in the cash book matches with the bank statement, then bank balance will be the same in both the records. But, practically it may not be possible.
- ☒ When the balances do not agree with each other, the need for preparing a statement to explain the causes arises.
- ☒ This statement is called bank reconciliation statement (BRS)

**25) Various methods of depreciation**

- 1) Straight line method or fixed installment method or Original cost method.
- 2) Written down value method or Diminishing balance method or Reducing balance method.
- 3) Sum of years digits method.
- 4) Machine hour rate method.
- 5) Depletion method.
- 6) Annuity method.
- 7) Revaluation method.
- 8) Sinking fund method.
- 9) Insurance Policy method.

**26) Accounting Equation**

<b>Assets</b>	=	<b>Capital</b>	+	<b>Liabilities</b>
a) 1,00,000	=	80,000	+	20,000
b) 2,00,000	=	1,60,000	+	40,000
c) 2,40,000	=	1,60,000	+	80,000

27)

**In the books of Seshadri**

Dr.				Cash Book (Single column)				Cr.			
Date	Receipts	L.F.	Amount Rs.	Date	Payments	L.F.	Amount Rs.				
2017 May 1	To Balance b/d		40,000	2017 May 7	By Wages A/c		2,000				
5	To Swathi A/c		4,000	10	By Purchase A/c		18,000				
				31	By Balance c/d		<b>24,000</b>				
			<b>44,000</b>				<b>44,000</b>				
<b>Jun 1</b>	<b>To Balance</b>	<b>B/d</b>	<b>24,000</b>								

**28) Rectification**

- (a) Sales account should be credited with Rs. 100
- (b) Sales account should be debited with Rs. 200
- (c) Purchases account should be debited with Rs. 300
- (d) Purchases account should be credited with Rs. 400

29)

**Adjusting Entry**

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
(a)	Closing Stock A/c To Trading A/c (Closing stock brought into account)	Dr.	5,000	5,000
(b)	Salaries A/c To Outstanding salaries A/c (Salaries outstanding provided)	Dr.	150	150



30) :

<b>Dr.</b>		<b>Trading Account for the year ending 31.12.20016</b>				<b>Cr.</b>	
	Particulars	Rs.	Rs.		Particulars	Rs.	Rs.
	To Opening Stock		10,000		By Sales		40,600
	To Purchases		26,100		By Closing Stock		13,500
	To Carriage Inwards		4,000				
	<b>To Gross Profit C/d</b> <b>(Transferred to</b> <b>Profit and Loss A/c)</b>		<b>14,000</b>				
			54,100				54,100

**PART - III**

**III. Answer any seven questions. Question No.40 is compulsory.**

**7 x 3 = 21**

31) **“Only monetary transactions are recorded in accounting”. Explanation:**

- \* This concept implies that only those transactions, which can be expressed in terms of money, are recorded in the accounts.
- \* Since, money serves as the medium of exchange transactions expressed in money are recorded and the ruling currency of a country is the measuring unit for accounting.
- \* Transactions which do not involve money will not be recorded in the books of accounts.
- \* **For example**, working conditions in the work place, strike by employees, efficiency of the management, etc. will not be recorded in the books, as they cannot be expressed in terms of money.

32)

**Debit or Credit Column of Trial Balance**

S.No.	Name of account	Debit Balance	Credit Balance
(i)	Carriage Outward	Debit	---
(ii)	Drawings	Debit	---
(iii)	Discount Received	---	Credit
(iv)	Interest Paid	Debit	---
(v)	Purchase Return	---	Credit
(vi)	Capital	---	Credit

33)

**Difference Between Cash Discount and Trade Discount**

No.	Basis of Distinction	Trade Discount	Cash Discount
1.	Purpose	To help the retailer to earn some profit.	To encourage prompt payment within a stipulated period.
2.	Time When Allowed	It is allowed on the purchase of goods.	It is allowed when payment is made within the specified period.
3.	Disclosure	It is shown by way of deduction in the invoice itself.	It is not shown in the invoice.

34) **Difference between Capital Expenditure and Revenue Expenditure.**

S. No.	Capital Expenditure	Revenue Expenditure
1	Purchase cost of fixed assets.	Maintenance expenses of fixed assets.
2	Purchase cost of long term investments.	Insurance premium.
3	Expenses to increase the earning capacity of fixed assets.	Postage and stationery.

35) **Opening Entry**

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
	Cash A/c Dr.		1,00,000	
	Stock A/c Dr.		40,000	
	Rohit A/c Dr.		10,000	
	Furniture A/c Dr.		10,000	
	To Anush A/c			40,000
	To Capital A/c			1,20,000
	(Balances of assets and liabilities brought forward)			

Dr.				Capital Account				Cr.			
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.				
	To Anush A/c		40,000		By Cash A/c		1,00,000				
	To Balance C/d		1,20,000		By Stock A/c		40,000				
					By Rohit A/c		10,000				
					By Furniture A/c		10,000				
			1,60,000				1,60,000				
					By Balance b/d		1,20,000				

36) **In the books of M/s. Ram & Co.,**

**Purchases Book**

Date	Particulars	Invoice No.	L.F.	Amount Rs.	
				Details	Total
2017 Jan. 1	<u>Anbu &amp; Co.,</u> 20 Reams of White Paper @ Rs.150 per reams				3,000
Jan. 2	<u>Jagadish &amp; Sons</u> 6 dozen Pens @ Rs.360 per dozen				2,160
Jan. 15	<u>M/s. Elango &amp; Co.,</u> 10 Drawing Boards @ Rs.170 each				1,700
	Sales A/c Cr.				6,860



37) .

**Petty Cash Book (in Rs.) – Analysis of payments****Dr.****Cr.**

Receipts	C.B.F.N	Date	Particulars	V.N	Total Payments	Conveyance	Carriage	Stationery	Postage	Wages	Sundries	L.F.
2,000		<b>2017</b> July 1	To Cash A/c									
		7	By Writing pads and registers		100			100				
		10	By White Papers		50			50				
		15	By Conveyance		200	200						
		18	By Wages		300					300		
		21	By Postal Charges		100				100			
		23	By Stationery		450			450				
		25	By Carriage		150		150					
		31	Total Expenses		1,350	200	150	600	100	300		
		31	By Balance c/d		650							
2,000					2,000							
<b>1,350</b> <b>650</b>		Aug 1 1	To Balance b/d To Cash A/c									

**38) Calculation of Rate of Depreciation:**

Amount of depreciation per year =  $\frac{\text{Original Cost of the Asset} - \text{Estimated Scrap Value}}{\text{Estimated useful life of the asset in years}}$

$$= \frac{10,000 - 2,000}{10} = \frac{8,000}{10} = \text{Rs. 800 per year}$$

Rate of depreciation =  $\frac{\text{Amount of depreciation per year}}{\text{Original Cost of the Asset}} \times 100$

$$= \frac{800}{10,000} \times 100 = 8\%$$

**39) Dr. Profit and Loss Account for the year ended 31st March, 2018****Cr.**

Particulars	Rs.	Particulars	Rs.
To Carriage outward	25,500	By Gross profit b/d	1,50,000
To Office rent	7,000	By Dividend received	9,000
To Office stationery	3,500	By Discount received	4,600
To Distribution expenses	2,000	By Rent received	7,000
To Advertisement expenses	3,800		
To Bad debts	8,500		
To Net profit (Transferred to capital account)	<b>1,20,300</b>		
	1,70,600		1,70,600

40)

**Golden Rules of Double Entry Accounting System:**

<b>Personal Account</b>	Debit the receiver	Credit the giver
<b>Real Account</b>	Debit what comes in	Credit what goes out
<b>Nominal Account</b>	Debit all expenses and losses	Credit all incomes and gains

**PART - IV****IV. Answer all the questions.****7 x 5 = 35****41.a.****In the books of Manohar  
Journal entries**

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
2018 March 1	Cash A/c To Manohar's Capital A/c (Manohar started business with cash)	Dr.	60,000	60,000
2	Furniture A/c To Cash A/c (Purchase Furniture for cash)	Dr.	10,000	10,000
3	Purchases A/c To Cash A/c (Goods purchased by cash)	Dr.	25,000	25,000
6	Purchases A/c To Kamalesh A/c (Goods purchased on credit)	Dr.	15,000	15,000
8	Cash A/c To Sales A/c (Cash sales made)	Dr.	28,000	28,000
10	Hari A/c To Sales A/c (Goods sold to Hari on credit)	Dr.	10,000	10,000
14	Kamalesh A/c To Cash A/c (Paid Kamalesh)	Dr.	12,000	12,000
18	Rent A/c To Cash A/c (Rent paid)	Dr.	500	500
25	Cash A/c To Hari A/c (Received from Hari)	Dr.	8,000	8,000
28	Drawings A/c To Cash A/c (Withdrew cash for personal use)	Dr.	4,000	4,000



[OR]

41.b.

**In the Books of Thiru. Durairaj**

Dr.

**Three-Column Cash Book**

Cr.

Date	Particulars	R N	L F	Dis. All.	Cash	Bank	Date	Particulars	V N	L F	Dis. Rec.	Cash	Bank
2017 March 1	To Balance b/d		C		12,000	15,000	2017 March 2	By Bank A/c		C		11,000	
2	To Cash A/c		C			11,000	12	By Bank A/c		C		6,900	
3	To Sales A/c		C		9,250	9,250	14	By Purchase A/c					8,500
8	To Jayaraj A/c			100	6,900		20	By Drawings A/c				3,000	5,000
12	To Cash A/c					6,900	25	By Vinoth A/c			150		1,850
19	To Kannappan A/c			25	1,975		31	<b>By Balance C/d</b>				<b>9,225</b>	<b>26,800</b>
				125	30,125	42,150					150	30,125	42,150
<b>Apr. 1</b>	<b>To Balance b/d</b>				<b>9,225</b>	<b>26,800</b>							

42.a.

**In the books of Niranjan**

**Purchase Book**

Date	Particulars	I.N	L.F.	Amount	
				Details Rs.	Total Rs.
2017 Feb. 1	Mukil Traders				12,480
14	Mukil Traders				15,200
	<b>Purchase A/c</b>	<b>Dr.</b>			<b>27,680</b>

**Sales Book**

Date	Particulars	I.N	L.F.	Amount	
				Details Rs.	Total Rs.
2017 Feb. 4	Sachin Traders				15,000
6	Manish Traders				12,100
10	Manish Traders				13,300
	<b>Sales A/c</b>	<b>Cr.</b>			<b>40,400</b>

Purchase Return Book

Date	Particulars	Credit Note No.	L.F.	Amount		Remarks
				Details Rs.	Total Rs.	
2017 Feb. 9	Mukil Traders				1,500	Cash is not received
	<b>Purchase Returns A/c Dr.</b>				<b>1,500</b>	

Sales Return Book

Date	Particulars	Debit Note No.	L.F.	Amount		Remarks
				Details Rs.	Total Rs.	
2017 Feb. 7	Sachin Traders				1,200	Cash is not paid
	<b>Sales Returns A/c Cr.</b>				<b>1,200</b>	

Ledger Accounts

**Dr.**

**Mukil Account**

**Cr.**

Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.
2017 Feb. 9	To Return Outward A/c		1,500	2017 Feb. 14	By Purchase A/c		12,480
28	To Balance C/d		26,180		By Purchase A/c		15,200
			27,680				27,680
				<b>March 1</b>	<b>By Balance B/d</b>		<b>26,180</b>

**Dr.**

**Sachin Account**

**Cr.**

Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.
2017 Feb. 4	To Sales A/c		15,000	2017 Feb. 28	By Return inward A/c		1,200
			15,000		By Balance C/d		13,800
<b>March 1</b>	<b>To Balance B/d</b>		<b>13,800</b>				15,000

**[OR]**





Dr.				Ganesan Account				Cr.			
Date	Particulars	J.F.	Rs.	Date	Particulars	J.F.	Rs.				
2017 Aug. 31	To Balance C/d		10,000	2017 Aug. 6	By Cash A/c		10,000				
			10,000				10,000				
				Sep. 1	By Balance B/d		10,000				

Dr.				Rent Account				Cr.			
Date	Particulars	J.F.	Rs.	Date	Particulars	J.F.	Rs.				
2017 Aug. 10	To Cash A/c		3,000	2017 Aug. 31	By Balance C/d		3,000				
			3,000				3,000				
Sep. 1	To Balance B/d		3,000								

Dr.				Commission Received Account				Cr.			
Date	Particulars	J.F.	Rs.	Date	Particulars	J.F.	Rs.				
2017 Aug. 31	To Balance C/d		5,000	2017 Aug. 20	By Cash A/c		5,000				
			5,000				5,000				
				Sep. 1	By Balance B/d		5,000				

Dr.				Furniture Account				Cr.			
Date	Particulars	J.F.	Rs.	Date	Particulars	J.F.	Rs.				
2017 Aug. 23	To Cash A/c		4,000	2017 Aug. 31	By Balance C/d		4,000				
			4,000				4,000				
Sep. 1	To Balance B/d		4,000								

[OR]

43.b.

In the books of Ramasundari

Dr. Trading and Profit and Loss Account for the year ending 31<sup>st</sup> December, 2017 Cr.

To Opening stock		2,500	By Sales		7,000
To Purchases		3,300	By Closing stock		4,000
To Wages		2,700			
To Gross Profit C/d (Transferred to Profit and Loss A/c)		2,500			
		11,000			11,000

To Salary		2,600	By Gross Profit b/d		2,500
To Net profit (Transferred to capital A/c)		2,400	(Transferred from Trading A/c)		2,500
			By Discount received		
5,000			5,000		

**Balance Sheet as on 31<sup>st</sup> December 2017**

Liabilities	Rs.	Rs.	Assets	Rs.	Rs.
Capital	52,000		Cash at Bank		6,400
(+) Net Profit	2,400	54,400	Machinery		52,000
			Closing Stock		4,000
Creditors		8,000			
62,400			62,400		

**44.a**

**In the books of Ravichandran**

**Trial balance as on 31<sup>st</sup> December, 2016**

Name of account	L.F.	Debit Balance Rs.	Credit Balance Rs.
Capital		---	1,50,000
Debtors		22,800	---
Rent received		---	500
Bank overdraft		---	3,100
Creditors		---	5,500
Premises		1,46,000	---
Opening stock		10,000	---
Purchases		45,000	---
Sales		---	75,000
Return inwards		1,000	---
Discount allowed		800	---
Discount received		---	1,000
Wages		2,900	---
Salaries		3,500	---
Commission paid		1,100	---
General expenses		2,000	---
<b>Total</b>		<b>2,35,100</b>	<b>2,35,100</b>

**[OR]**

**44.b. Bank reconciliation statement as on 31st December, 2017**

Particulars	Amount Rs.	Amount Rs.
Balance as per bank statement		25,000
<b>Add: Dishonour of a cheque</b>	250	
Cheques deposited into bank, but not yet collected	3,500	
Bank charges not entered in the cash book	300	4,050
		29,050
<b>Less: Cheques issued but not yet presented for payment</b>		9,000
<b>Balance as per Cash Book</b>		<b>20,050</b>

**45.a. In the books of Niruban  
Balance sheet as on 31st December, 2017**

Liabilities	Rs.	Rs.	Assets	Rs.	Rs.
Capital	15,00,000		Land and building		6,00,000
Add: Net profit	6,20,000		Plant and machinery		8,00,000
	21,20,000		Furniture		1,50,000
Less: Drawings	1,30,000	19,90,000	Investments (short-term)		80,000
Creditors		2,40,000	Stock in trade		4,00,000
Bills payable		60,000	Debtors		3,20,000
Bank overdraft		1,80,000	Bills receivable		1,00,000
			Cash in hand		20,000
		24,70,000			24,70,000

[OR]

**45.b. In the books of Shanthi Furniture Mart Purchases book / Purchases journal**

Date	Particulars	Invoice No.	L.F.	Amount Rs.	
				Details	Total
2017 March 1	<b>Mohan Furniture Mart, Madurai</b> 20chairs@ Rs.450 each 2 tables@ Rs. 1,000 each  Less: Trade discount @ 10%			9,000 2,000  11,000 1,100	9,900
March 7	<b>Ramesh &amp; Co., Royapettah</b> 2 stools @ Rs. 500 each 10 rolling chairs @ Rs. 200 each  Add: Delivery charges and cartage			1,000 2,000 3,000 150	3150
March 21	<b>Kamal &amp; Co., Karaikal</b> 10 chairs @ Rs. 750 each 15 steel cabinets @ Rs. 1,500 each  Less: Trade discount @ 10%  Add: Packing and delivery charges			7,500 22,500 30,000 3,000 27,000 250	27250
	<b>Purchases A/c</b> Dr.				<b>40,300</b>



46.a.

**Dr. Cash Book with Discount and cash column Cr.**

Date	Receipts	L. F.	Dis.	Amount Rs.	Date	Payments	L. F.	Dis.	Amount Rs.
2017 Jan. 1	To Balance b/d			11,500	2017 Jan. 5	By Ramanathan A/c			
10	To Rajagopal A/c		20	980	8	By Purchase A/c		10	300
15	To Sales A/c			400	21	By Shanthi A/c		5	295
					25	By Wages A/c			50
					31	By Sanjeev		10	390
					31	By Balance c/d			<b>11,445</b>
			<b>20</b>	<b>12,880</b>				<b>25</b>	<b>12,880</b>
Feb. 1	To Balance B/d			<b>11,445</b>					

[OR]

46. b.

**Rectifying Entries**

	Particulars	L.F.	Dr. Rs.	Cr. Rs.
a	Suspense A/c To Sales A/c (Under casting in the sales book rectified)	Dr.	2,000	2,000
b	Machinery A/c To Purchases A/c (Purchase of machinery wrongly entered in the purchases book rectified)	Dr.	3,000	3,000
c	Suspense A/c To Mathi A/c (Excess amount posted to the debit of Mathi rectified)	Dr.	9	9
d	Purchase returns A/c To Suspense A/c (Overcasting in the purchase returns book rectified)	Dr.	200	200
e	Sales A/c To Suspense A/c (Excess amount carried forward in the sales book rectified)	Dr.	100	100

**47.a)**

Dr.		Machinery Account		Cr.	
Date	Particulars		Date	Particulars	
2014 April 1	To Nila & Co. A/c	2,00,000	2015 March 31	By Depreciation A/c (2,10,000 × 10%)	21,000
April 1	To Bank A/c	10,000	March 31	By Balance c/d	1,89,000
		<b>2,10,000</b>			<b>2,10,000</b>
2015 April 1	To Balance b/d	1,89,000	2016 March 31	By Depreciation A/c (1,89,000 × 10%)	18,900
		<b>1,89,000</b>	March 31	By Balance c/d	1,70,100
					<b>1,89,000</b>
2016 April 1	To Balance b/d	1,70,100	2017 March 31	By Depreciation A/c (1,70,100 × 10%)	17,010
		<b>1,70,100</b>	March 31	By Balance c/d	1,53,090
					<b>1,70,100</b>
2017 April 1	To Balance b/d	<b>1,53,090</b>			

Dr.		Depreciation Account		Cr.	
Date	Particulars		Date	Particulars	
2015 March 31	To Machinery A/c	21,000	2016 Dec 31	By Profit and Loss A/c	21,000
		<b>21,000</b>			<b>21,000</b>
2016 March 31	To Machinery b/d	18,900	2017 Dec 31	By Profit and Loss A/c	18,900
		<b>18,900</b>			<b>18,900</b>
2017 March 31	To Machinery b/d	17,010	2017 Dec 31	By Profit and Loss A/c	17,010
		<b>17,010</b>			<b>17,010</b>

**[OR]****47.b) Solutions**

- |       |   |   |                     |
|-------|---|---|---------------------|
| (i)   | Audit Fees                                  | - | Revenue Expenditure |
| (ii)  | Labour Welfare Expenses                     | - | Revenue Expenditure |
| (iii) | Servicing the Company Vehicle               | - | Revenue Expenditure |
| (iv)  | Repair to furniture purchase<br>Second Hand | - | Capital Expenditure |
| (v)   | Rent Paid                                   | - | Revenue Expenditure |