

1.

Time : 3.00 Hrs.

**First Revision Examination - 2025**  
**ACCOUNTANCY**

Register No. 

Marks : 90

**PART - I****20 x 1 = 20****Answer all the questions**

1. The root of financial accounting system is \_\_\_\_\_.  
a) Management accounting b) Responsibility accounting c) Social accounting d) Stewardship accounting
2. The business is liable to the proprietor of the business in respect of capital introduced by the person according to \_\_\_\_\_.  
a) Business entity concept b) Dual aspect concept c) Money measurement concept d) cost concept
3. A firm has assets of ₹1,00,000 and the external liabilities of ₹60,000. Its capital would be \_\_\_\_\_.  
a) ₹ 1,00,000 b) ₹40,000 c) ₹1,60,000 d) ₹ 60,000
4. The amount brought into the business by the proprietor should be credited to \_\_\_\_\_.  
a) capital A/c b) Suspense A/c c) Cash A/c d) Drawings A/c
5. The difference of total of both debit and credit side of trial balance is transformed to \_\_\_\_\_.  
a) suspense A/c b) miscellaneous A/c c) Trading A/c d) Difference A/c
6. Purchase of fixed assets on credit basis is recorded in \_\_\_\_\_.  
a) purchased return book b) journal proper c) purchase book d) sales book
7. The source document or voucher used for recording entries in sales book is \_\_\_\_\_.  
a) invoice b) cash receipt c) debit note d) credit note
8. The cash book records : \_\_\_\_\_.  
a) All cash payments b) All credit transactions c) All cash receipts and cash payments d) All cash receipts
9. A bank reconciliation statement is prepared with the help of \_\_\_\_\_.  
a) Bank statement and bank column of the cash book b) Petty cash book c) Bank statement d) cash book
10. Error of principle arises when :  
a) Distinction is not made between capital and revenue items  
b) There are wrong postings and wrong castings  
c) There is complete omission of a transaction.  
d) There is partial omission of a transaction.
11. The following error becomes unavoidable in computerized accounting:  
a) Error of partial omission b) Error in carrying forward c) casting error d) Error of duplication
12. Residual value of an asset means the amount that it can fetch on sale at the \_\_\_\_\_.  
a) middle b) beginning c) End d) None of these
13. Expenditure, incurred ₹20,000 for trial run of a newly installed machinery will be \_\_\_\_\_.  
a) capital expenditure b) deferred revenue expenditure c) preliminary expenditure d) revenue expenditure
14. Amount spent on increasing the seating capacity in a cinema hall is \_\_\_\_\_.  
a) capital expenditure b) revenue expenditure c) deferred revenue expenditure d) none of the above
15. Balance sheet shows the \_\_\_\_\_ of the business.  
a) Financial position b) purchases c) profitability d) sales
16. Net profit is \_\_\_\_\_.  
a) Debited to Drawings A/c b) credited to capital A/c c) Debited to Capital A/c d) credited to capital A/c
17. Which one is not a component of computer system?  
a) Data b) Centralized processing unit c) Input unit d) output unit
18. An example of output device is \_\_\_\_\_.  
a) mouse b) keyboard c) optical scanner d) printer
19. Tally is an example of \_\_\_\_\_.  
a) Inhibit accounting software b) Readymade accounting software c) Tailor made accounting software  
d) customized accounting software
20. Who is considered to be the internal user of the financial information?  
a) creditor b) Employee c) Customer d) Government

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

21. Who are the parties interested in accounting information?
22. Write a short note on Going concern concept.
23. Give the golden rules of double entry accounting system.
24. 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) sales (iii) investments (iv) bad debts

25. What is journal proper?  
 26. Write a short note on petty cash book.  
 27. The following were detected before the preparation of trial balance. Rectify them  
 (i) sales book is undercast by ₹100 (ii) purchase book is overcast by ₹400  
 (iii) purchases returns book is overcast by ₹600 (iv) sales returns book is undercast by ₹700  
 28. Find out the rate of depreciation under straight line method from the following details.  
 Original cost of the asset ₹10,000  
 Estimated life of the asset 10 years  
 Estimated scrap value at the end ₹2,000

29. What is CAS?

30. Give narration from the following journal entries.

Date	Particulars	L.F	Debit ₹	Credit ₹
1	Bank A/c To divided A/c(—————)	Dr	2000	
2	Drawings A/c To purchased A/c(—————)	Dr	12000	2000
				12000

### PART – III

Answer any seven questions. Q. No. 40 is compulsory

7 x 3 = 21

31. What are final A/c? what are its constituents?  
 32. Distinguish capital receipt from Revenue Receipt. (any 3)  
 33. List out the various methods of depreciation?  
 34. Discuss briefly the branches of accounting.  
 35. Mention the subsidiary books in which the following transactions are recorded.  
 (i) sale of goods for cash (ii) purchases of goods on credit (iii) when the proprietor takes goods for personal use  
 36. Complete the accounting equation:  
 a) Assets = Capital + liabilities  
 1,00,000 = 80,000 + ?  
 b) Assets = Capital + liabilities  
 2,00,000 = ? + 40,000  
 c) Assets = Capital + Creditors  
 ? = 1,60,000 + 80,000
37. Give journal entries and post them to cash account.  
 2016  
 June 1 commenced business with cash ₹ 1,10,000  
 10 Introduced additional capital 50,000  
 28 withdrawn for personal use 20,000
38. A company purchased a building for ₹50,000. The useful life of the building is 10 years and the residual value is ₹5000. Find out the amount and rate of depreciation under straight line method.
39. Compute cost of goods sold from the following information:  
 Particulars ₹  
 Opening stock 8,000  
 Purchases 60,000  
 Direct expenses 5,000  
 Indirect expenses 6,000  
 Closing stock 9,000
40. State whether, the balance of the following accounts should be placed in the debit or the credit column of the trial balance.  
 (i) purchased (ii) drawings (iii) capital (iv) purchase returns (v) carriage inwards (vi) interest received

### PART – IV

Answer all the questions.

41. a) Pass journal entries in the books of Sasikumar. Who is dealing in automobiles

7 x 5 = 35

Oct	Date	Particulars	₹
	1	Commenced business with goals	40,000
	3	Cash introduced in the business	60,000
	4	Purchased goods from Arul on credit	70,000
	6	Returned goods to Arul	10,000
	10	Paid cash to Arul on account	60,000
	15	Sold goods to Chandar on credit	30,000
	18	Chandar returned goods worth	6,000

- |    |   |        |      |
|----|---|--------|------|
| 20 | Received cash from Chandar is full settlement | 23,000 |      |
| 25 | Paid salaries through ECS                     | 2,000  |      |
| 30 | Sasikumar took for personal use goods         | 10,000 | (OR) |
- b) Prepare accounting equation for the following transactions
- Murugan commenced business with cash ₹80,000
  - purchased goods for cash ₹30,000
  - paid salaries by cash ₹5,000
  - Bought goods from Kumar for ₹5,000 and deposited the money in CDM.
  - Introduced additional capital of ₹10,000

42. a) Given below are the balances extracted from the books of Nagarajan as on 31<sup>st</sup> March 2016

Particulars	₹	Particulars	₹
Purchases	10,000	Sales	15,100
Wages	600	Commission received	1,000
Freight inwards	750	Rent received	600
Advertisement	500	Creditors	2,400
Carriage outwards	400	Capital	5,000
Cash	1,200		
Machinery	8,000		
Debtors	2,250		
Bills receivable	300		
Stock on 1 <sup>st</sup> Jan 2016	1,000		
	<u>25,000</u>		<u>25,000</u>

Prepare the trading and profit and loss account for the year ended 31<sup>st</sup> March, 2016 and the balance sheet as on that date after adjusting the following:

- commission received in advance ₹400
  - advertisement paid in advance ₹150
  - wages outstanding ₹200
  - closing stock on 31<sup>st</sup> March 2016 ₹2,100 (OR)
- (b) Identify the following items into capital or revenue:
- Audit fees paid ₹10,000
  - Labour welfare expenses ₹5,000
  - ₹2,000 paid for servicing the company vehicle
  - rent paid for the factory ₹12,000
43. a) M/s. Ramco textile mills purchased machinery on 1<sup>st</sup> April 2014 for ₹2,00,000 on credit from M/s. Nila & Co and spent ₹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 year books are closed on 31<sup>st</sup> March every year. (OR)
- (b) Mention any five limitations of computerized accounting system.
44. a) Show the direct ledger postings for the following transactions.

2017		₹
June 1	Raja commenced business with cash	50,000
6	Sold goods for cash	8,000
8	Sold goods to Devi on credit	9,000
15	Goods purchased for cash	4,000
20	Goods purchased from Shanthi on credit	5,000

(OR)

b) The following errors were located after the preparation of the trial balance. Assume that there exists a suspense account. Rectify them.

- Sale of goods on credit to Arun for ₹152 posted to his account as ₹125.
- Bought goods from Lakshmi on credit for ₹550, credited to her account as ₹505
- purchase of furniture from Abirupa for ₹404 on credit was debited to furniture account as ₹440
- purchased machinery for cash ₹200 was not posted to machinery account.
- The total of purchased book ₹89 was carried forward as ₹98

45. a) From the following information, prepare the necessary subsidiary books for Nalanda Book stores.

2017	Bought from M/s. Umadevi on credit
Dec 1	100 copies Business statistics book @ ₹80 each
	100 copies Accountancy book @ ₹150 each
Dec 7	Sold to Sri Devi & Co., on credit
	240 copies Business statistics book @ ₹90 each
	250 copies Accountancy book @ ₹170 each
Dec 10	Bought from Subha & Co.,
	40 copies Business statistics book @ ₹80 each
	Less 15% trade discount
Dec 15	Returned to M/s. Umadevi 10 copies of damaged
	Accountancy book for which cash is not received

- Dec 18 Sold to Gupta Bros., on credit  
200 copies of Economic book @ ₹95 each
- Dec 26 Returned 6 copies of Economics books to Subha & Co.,

(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 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 from Kannappan in full settlement of his account of ₹2000	1975
20	Drew cash ₹3000 and by cheque ₹5000 for personal use	
25	Paid Vinod by cheque in full settlement of his account of ₹2000	1850

46. a) Prepare analytical petty cash book from the following particulars under imprest system  
2017

		₹
July 1	Received advance from Cashier	2000
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 stationary	450
23	Tea expenses	60
25	Paid for speed post	150
27	Refreshment expenses	250
31	Paid for carriage	150

(OR)

b) Show necessary entries to adjust the following on 31<sup>st</sup> December 2017

- outstanding salaries ₹1200
- outstanding rent ₹300
- prepaid insurance premium ₹450
- interest on investments accrued ₹400
- bad debts written off ₹200

47. a) The following balances are extracted from the books of Ravichandran on 31<sup>st</sup> December 2016, prepare trial balance.

		₹			₹
Capital	1,50,000		Sales		75,000
Debtors	22,800		Return inwards		1000
Rent received	500		Discount allowed		800
Bank overdraft	3100		Discount received		1000
Creditors	5500		Wages		2900
Premises	1,46,000		Salaries		3500
Opening stock	10,000		Commission paid		1100
Purchases	45,000		General expenses		2000

(OR)

b) Prepare Bank reconciliation statement from the following data and find out the balance as per cash book as on 31<sup>st</sup> March 2018

Particulars	₹
(i) Bank balance as per bank statement	15000
(ii) Cheques issued but not yet presented for payment	2500
(iii) Bank charges not recorded in the cash book	250
(iv) Interest charged by bank not recorded in the cash book	500
(v) Bank paid insurance premium as per standing instruction but not recorded in the cash book	300
(vi) Cheques deposited but not yet credited	900