

ACCOUNTANCY

Time allowed: 3 hours

Maximum Marks: 80

General Instructions:

- Question nos. 1 to 9 and 18 to 26 are very short answer type questions carrying 1 mark each.
- Question nos. 10 and 27 are short answer type–I questions carrying 3 marks each.
- Question nos. 11 to 13 and 28 are short answer type–II questions carrying 4 marks each.
- Question nos. 14, 15 and 29, 30 are long answer types–I questions carrying 6 marks each.
- Question nos. 16 and 17 are long answer type–II questions carrying 8 marks each.

Part A - Financial Accounting I		
1	Name any two external users of accounting information.	1
2	Define inventory or stock.	1
3	If total assets of a business are ₹1,50,000 and capital of a business is ₹80,000, find out the total liabilities of a business.	1
4	Explain a going concern concept.	1
5	A credit purchase of ₹500 is written as ₹50. Pass the rectifying entry.	1
6	Pass the journal entry for 'goods lost by fire for ₹1,500'.	1
7	Can trial balance disclose compensating errors?	1
8	When do we pass contra entry?	1
9	A bill of exchange is drawn on 8 th September, 2019 for 3 months. Its due date will be: (a) 10 th December (b) 6 th December (c) 11 th December (d) 12 th December	1

10	<p>Prepare purchase return book for the following transactions:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr> <th style="width: 15%;">Date</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>May 1</td> <td>Return goods to M/s Jainam Traders ₹15,000</td> </tr> <tr> <td>May 15</td> <td>Goods returned to Sanchi Pvt. Ltd. ₹28,000</td> </tr> <tr> <td>May 23</td> <td>Goods returned to M/s Naman Traders for list price ₹15,000 less 20% trade discount.</td> </tr> <tr> <td>May 29</td> <td>Return outwards to M/s Nisha Traders ₹3,000.</td> </tr> </tbody> </table> <p style="text-align: center; margin: 10px 0;">Or</p> <p>Samar sold goods to Rahim for ₹60,000 on credit on December 1, 2019. Half of the payment was made immediately and for the remaining half Samar drew a bill of exchange upon Rahim for 3 months. Rahim accepted the bill and returned it to Samar. Bill was dishonoured on maturity and noting charges paid ₹100. Record the necessary journal entries in the books of Rahim.</p>	Date	Details	May 1	Return goods to M/s Jainam Traders ₹15,000	May 15	Goods returned to Sanchi Pvt. Ltd. ₹28,000	May 23	Goods returned to M/s Naman Traders for list price ₹15,000 less 20% trade discount.	May 29	Return outwards to M/s Nisha Traders ₹3,000.	3														
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11	<p>Record the following transactions in the petty cash book.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr> <th style="width: 15%;">Date</th> <th>Particulars</th> <th style="width: 15%;">Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td></td> <td></td> </tr> <tr> <td>Nov. 01</td> <td>Received petty cash</td> <td style="text-align: right;">8,000</td> </tr> <tr> <td>Nov. 05</td> <td>Paid for Repairs</td> <td style="text-align: right;">200</td> </tr> <tr> <td>Nov. 07</td> <td>Refreshment Expense</td> <td style="text-align: right;">500</td> </tr> <tr> <td>Nov. 10</td> <td>Paid for Stationery ₹3,000 plus CGST and SGST at 10% each. Postage Charges</td> <td></td> </tr> <tr> <td>Nov. 15</td> <td>Telephone Charges for ₹1,500 plus CGST and SGST at 5%</td> <td style="text-align: right;">150</td> </tr> <tr> <td>Nov. 27</td> <td>each.</td> <td></td> </tr> </tbody> </table> <p style="text-align: center; margin: 10px 0;">Or</p> <p>Pass the necessary journal entries for the following transactions and prepare ledger accounts: (a) Mr. Rhean started business with cash ₹1,00,000, stock ₹36,000. (b) Sold goods to Vinay for ₹80,000. (c) Sold goods to Kian for ₹10,000 and allowed a cash discount at the rate of 10%.</p>	Date	Particulars	Amount (₹)	2020			Nov. 01	Received petty cash	8,000	Nov. 05	Paid for Repairs	200	Nov. 07	Refreshment Expense	500	Nov. 10	Paid for Stationery ₹3,000 plus CGST and SGST at 10% each. Postage Charges		Nov. 15	Telephone Charges for ₹1,500 plus CGST and SGST at 5%	150	Nov. 27	each.		4
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12	<p>Rectify the following errors.</p> <div style="border: 1px solid black; padding: 10px; margin: 10px 0;"> <p>(a) Credit sales to Reyansh for ₹50,000 were recorded in the purchase book. However, Reyansh's account was correctly debited.</p> <p>(b) Credit purchases from Rohan of ₹1,600 were not posted.</p> <p>(c) Credit sales to Divya for ₹2,000 were posted to Karan.</p> <p>(d) Credit purchases from Viha for ₹1,000 were not recorded in the books.</p> </div>	4																								
13	<p>Prepare a bank reconciliation statement as on 31st March, 2020. On this day the passbook of Mr. Khanna showed a balance of ₹18,000.</p> <ol style="list-style-type: none"> a. Cheque of ₹1,550 directly deposited by a customer. b. Commission received for ₹1,800 directly deposited into a bank account. c. Cheques of ₹5,400 were issued, out of which cheques for ₹1,400 were not presented for payment. d. There was a debit in the passbook of ₹8,540 in respect of the dishonoured cheque. 	4																								

14	<p>Enter the following transactions in the double column cash book of Swayam.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Date</th> <th style="width: 60%;">Transactions</th> <th style="width: 25%;">Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td></td> <td></td> </tr> <tr> <td>July 1</td> <td>Cash in hand ₹50,000 and cash at bank ₹80,000</td> <td></td> </tr> <tr> <td>July 3</td> <td>Riya who owed Swayam ₹20,000 became bankrupt and paid only 60 paise in a rupee.</td> <td></td> </tr> <tr> <td>July 7</td> <td>Cheque received from Anju and deposited on the same day into bank</td> <td style="text-align: right;">10,500</td> </tr> <tr> <td>July 8</td> <td>Withdrew from bank for personal use</td> <td style="text-align: right;">12,000</td> </tr> <tr> <td>July 15</td> <td>Received a payment on account of loan of ₹37,500 and deposited ₹22,500 out of it into the bank.</td> <td></td> </tr> <tr> <td>July 21</td> <td>An amount of ₹13,300 due from Rahul written off as bad debts in the previous year, now recovered.</td> <td></td> </tr> <tr> <td>July 25</td> <td>Cheque received from Priyansh of ₹16,000 in full settlement of ₹20,000.</td> <td></td> </tr> <tr> <td>July 30</td> <td>Cheque received on July 25 was banked.</td> <td></td> </tr> </tbody> </table>	Date	Transactions	Amount (₹)	2020			July 1	Cash in hand ₹50,000 and cash at bank ₹80,000		July 3	Riya who owed Swayam ₹20,000 became bankrupt and paid only 60 paise in a rupee.		July 7	Cheque received from Anju and deposited on the same day into bank	10,500	July 8	Withdrew from bank for personal use	12,000	July 15	Received a payment on account of loan of ₹37,500 and deposited ₹22,500 out of it into the bank.		July 21	An amount of ₹13,300 due from Rahul written off as bad debts in the previous year, now recovered.		July 25	Cheque received from Priyansh of ₹16,000 in full settlement of ₹20,000.		July 30	Cheque received on July 25 was banked.		6
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15	<p>Nia Ltd. purchased furniture for ₹5,00,000. The depreciation is charged at 10% p.a as per straight line method. Calculate the profit or loss on the sale of the furniture in each of the following cases:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Case</th> <th>Date of Purchase</th> <th>Accounting Year Ending</th> <th>Date of Sale</th> <th>Sale Proceeds</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>1st June, 2018</td> <td>31st December</td> <td>31st March, 2019</td> <td style="text-align: right;">₹ 3,50,000</td> </tr> <tr> <td style="text-align: center;">2</td> <td>1st December, 2018</td> <td>31st March</td> <td>1st October, 2019</td> <td style="text-align: right;">₹ 4,60,000</td> </tr> </tbody> </table>	Case	Date of Purchase	Accounting Year Ending	Date of Sale	Sale Proceeds	1	1 st June, 2018	31 st December	31 st March, 2019	₹ 3,50,000	2	1 st December, 2018	31 st March	1 st October, 2019	₹ 4,60,000	6															
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16	<p>On April 1, 2018, Priya Ltd. purchased machinery for ₹10,00,000. On October 1, 2020, the machinery was sold for ₹8,20,000. The company has adopted the method of providing 10% depreciation on the original cost of the machinery. Prepare machinery account, accumulated depreciation account, and machinery disposal account.</p>	8																														
17	<p>Abha sold goods worth ₹38,000 to Nia on 2nd April, 2018. ₹8,000 was paid by Nia immediately and for the balance, she accepted the bills of exchange drawn upon her by Abha payable after 4 months. Abha discounted the bill immediately with her bank at 10% discounting charges. On the due date, Nia dishonoured the bill and the bank paid ₹60 as noting charges. Record the necessary journal entries in the books of Abha and Nia.</p>	8																														
Part - B: Financial Accounting II																																
18	<p>Closing stock is valued at:</p> <ol style="list-style-type: none"> a. Cost Price b. Market Price c. Net Realisable Value d. At Cost or Net realisable whichever is Less 	1																														
19	<p>Which characteristic of a computer system is shown in the statement 'Ability to perform various tasks, simple as well as complex?'</p>	1																														

20	Calculate the value of closing capital from the following information: Profit = ₹80,000, drawings = ₹15,000, additional capital introduced = ₹50,000, opening capital = ₹75,000. <ul style="list-style-type: none"> a. ₹1,90,000 b. ₹70,000 c. ₹60,000 d. ₹2,05,000 	1																					
21	Loan from a friend is shown on the _____ side of the _____.	1																					
22	What is the accounting treatment of revenue in advance?	1																					
23	Opening capital in incomplete records is ascertained through _____.	1																					
24	Mention all the stages of automation.	1																					
25	There are the people who design data processing systems. Name them.	1																					
26	Which of the following is regarded as apt to show the purchase of a fixed asset? (a) Income & Expenditure account (b) Balance Sheet (c) Bank Statement (d) Profit & Loss Account	1																					
27	From the following, calculate the amount of bills accepted during the year. <table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse; width: 60%;"> <thead> <tr> <th style="width: 60%;">Particulars</th> <th style="width: 40%;">Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>Balance at the beginning</td> <td style="text-align: right;">4,20,000</td> </tr> <tr> <td>Balance at the end</td> <td style="text-align: right;">6,40,000</td> </tr> <tr> <td>Bills payable dishonoured during the year</td> <td style="text-align: right;">1,00,000</td> </tr> <tr> <td>Bills payable honoured during the year</td> <td style="text-align: right;">1,60,000</td> </tr> </tbody> </table>	Particulars	Amount (₹)	Balance at the beginning	4,20,000	Balance at the end	6,40,000	Bills payable dishonoured during the year	1,00,000	Bills payable honoured during the year	1,60,000	3											
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28	Write down the limitations of the Computerised Accounting System.	4																					
29	Calculate the closing capital and profit or loss made during the year from the following details given below. <table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse; width: 60%;"> <thead> <tr> <th style="width: 40%;">Particulars</th> <th style="width: 20%;">In the Beginning (₹)</th> <th style="width: 40%;">At the end (₹)</th> </tr> </thead> <tbody> <tr> <td>Bills payable</td> <td style="text-align: right;">12,000</td> <td style="text-align: right;">78,000</td> </tr> <tr> <td>Creditors</td> <td style="text-align: right;">14,000</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Loan</td> <td style="text-align: center;">-</td> <td style="text-align: right;">80,000</td> </tr> <tr> <td>Bills receivable</td> <td style="text-align: right;">50,000</td> <td style="text-align: right;">90,000</td> </tr> <tr> <td>Cash</td> <td style="text-align: right;">15,000</td> <td style="text-align: right;">40,000</td> </tr> <tr> <td>Stock</td> <td style="text-align: right;">8,000</td> <td style="text-align: right;">60,000</td> </tr> </tbody> </table>	Particulars	In the Beginning (₹)	At the end (₹)	Bills payable	12,000	78,000	Creditors	14,000	-	Loan	-	80,000	Bills receivable	50,000	90,000	Cash	15,000	40,000	Stock	8,000	60,000	6
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30 Prepare trading and profit or loss account and balance sheet from the following balances relating to the year ended 31st March, 2019. 6

Account title	Debit (₹)	Credit (₹)
Opening Stock	40,000	-
Purchases and Sales	2,60,000	3,90,000
Lighting	4,000	-
Cash in Hand	22,000	-
Salary	18,000	-
Rent	-	9,000
Building	6,50,000	-
Machinery	4,80,000	-
Debtors and Creditors	32,000	50,000
Purchase return	-	12,100
Sales return	6,200	-
Capital	-	11,45,000
Drawings	10,200	-
Commission received	-	6,000
Wages	7,000	-
Investment	69,000	-
Manufacturing Expenses	5,600	-
Dock and Clearing charges	8,100	-
	16,12,100	16,12,100

Additional information:

- i. The stock on 31st March, 2019 was valued at ₹12,000
- ii. Interest on Capital @5% and Drawings @10%
- iii. Unexpired Rent ₹500
- iv. Building is depreciated @ 10%
- v. Interest on Investment @ 6%
- vi. Charge 10% depreciation on Machinery

