

- Q11. Which of the following equation is correct?  
 a) Assets + Capital = Liabilities b) Assets - Liabilities = Capital  
 c) Assets + Liabilities = Capital d) None of these
- Q12. Assertion (A) : On cash being withdrawn from Bank, Cash Account is debited and Bank Account is credited.  
 Reason (R) : On cash being deposited in Bank, Cash Account is credited and Bank Account is debited.  
 Based on the above statements, which of the following options is correct?  
 a) Both Assertion and Reason are true and Reason is correct explanation of Assertion  
 b) Both Assertion and Reason are true but Reason is not the correct explanation of Assertion.  
 c) Assertion is true, Reason is false.  
 d) Assertion is false, Reason is true.

- Q13. 'Asset is accounted at the price paid to purchase them' is based on  
 a) Accrual Concept b) Cost Concept c) Money Measurement Concept d) Realisation Concept

- Q14. Income Tax paid by the proprietor will be debited to \_\_\_\_\_

- Q15. According to accrual basis of accounting, expenses are accounted  
 a) on payment b) on being incurred c) on prepayment d) none of these

- Q16. Explain prepaid expenses. Give example.

- Q17. Match the following :

Column I	Column II
A) Petty cash book	i) Records small regular expenses
B) Single column cash book	ii) Only records cash transactions
C) Contra entry	iii) Transactions involving cash and bank
D) Purchase book	iv) Record all credit purchase of goods

Codes:

- b) A - I, B - II, C - III, D - IV  
 c) A - I, B - III, C - IV, D - II  
 b) A - I, B - II, C - IV, D - III  
 d) A - I, B - IV, C - III, D - II

- Q18. Explain the term 'Gain' with suitable example.
- Q19. Explain going concern concept.
- Q20. Assets which are expected to be converted into cash within one year are .....
- Q21. Differentiate between Accrual basis and cash basis of accounting on the basis of following:  
 i) Reliability ii) Suitability iii) Legal position
- Q22. Give an example for each of the following type of transaction:  
 a) Increase in one asset, decrease in another asset.  
 b) Decrease in asset, decrease in liability  
 c) Increase in liability, decrease in capital
- Q23. Explain Traditional classification of accounts in detail.
- Q24. From the following balances, prepare a trail balance:

Name of Accounts	Amount (Rs.)
Furniture	1,50,000
Capital	1,40,000
Electricity Charges	9,000
Drawings	500
Inventory	9,000
Computer	90,000
Telephone Expenses	500
Stationery	800
Bad Debts	1,900
Bad Debts Recovered	700

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Outstanding Wages	5,000
Rent Received in Advance	56,500
Loan	50,000
Outstanding Interest	500
Creditors	9,000

Q25. Following balances existed in the books of M/s. Anand Stores as on 1<sup>st</sup> April, 2025. (3)

**Assets :** Cash Rs. 60,000; Bank Rs. 40,000; Stock Rs. 1,50,000; Furniture Rs. 43,000; Debtors Rs. 1,45,000 (X Rs. 35,000; Y Rs. 50,000, Z Rs. 60,000)

**Liabilities :** Loan from Vikas Rs. 60,000; Creditors Rs. 52,500 (A Rs. 22,500; B Rs. 30,000)

Pass necessary Opening Journal entry to record the above balances.

Q26. What is credit note? Prepare its format. (3)

Q27. Anil had the following transactions: (4)

- Commenced business with cash Rs. 50,000
- Purchased goods for cash Rs. 20,000 and on credit Rs. 30,000
- Sold goods for cash Rs. 40,000, costing Rs. 30,000
- Rent paid Rs. 500, Salaries Rs. 5,000
- Rent outstanding Rs. 100, Salaries Outstanding Rs. 1,000
- Bought furniture for Rs. 5,000 on credit.

Use accounting equation to show the effect of the above transactions.

Q28. Journalise the following entries: (4)

- Goods costing Rs. 500 given as charity
- Sold goods to Mayank of Rs. 1,00,000, payable 25% by cheque at the time of sale and balance after 30 days of sale.
- Received Rs. 975 from Harikrishna in settlement of his account of Rs. 1,000
- Charge interest on Drawings Rs. 1,500
- Sold goods to Anil costing Rs. 40,000 for cash at a profit of 25% on cost less 20% trade discount.
- Paid cartage of Rs. 100 for delivery of goods.

Q29. Prepare a petty cash book on the imprest system from the following particulars. (4)

2024

- Jul 1 Received Rs. 5,000 from the cashier  
 Jul 3 Purchased stationary Rs. 400  
 Jul 6 Paid for wages Rs. 250, for charity Rs. 150  
 Jul 7 Purchased soap Rs. 100, paid for newspaper bill Rs. 350  
 Jul 9 Paid taxi fare Rs. 400, cartage Rs. 100  
 Jul 12 paid postal expenses Rs. 300  
 Jul 14 paid ~~auto~~ fare Rs. 190, paid for courier services Rs. 35.

Q30. Prepare two column cash book of Vinod from the following transactions : (6)

2024

- |        |  |        |
|--------|--|--------|
| Oct 1  | Cash in hand   | 25,000 |
| Oct 1  | Cash at bank   | 75,000 |
| Oct 7  | Bought goods against cheque  | 15,000 |
| Oct 8  | Bought goods   | 5,000  |
| Oct 14 | Paid Miscellaneous expenses  | 150    |
| Oct 18 | Ramesh who owed Rs. 5,000 became bankrupt and paid half the amount |        |
| Oct 20 | Received cash from Manohar   | 7,500  |
|        | Allowed discount   | 250    |
| Oct 23 | Withdrew from bank   | 4,000  |
| Oct 24 | Paid to Ghanshyam & Co.  | 3,000  |
|        | Received discount  | 100    |
| Oct 25 | Withdrew from bank for personal expenses                           | 3,000  |
| Oct 27 | Sold goods   | 11,000 |
| Oct 28 | Received cheque for goods sold                                     | 19,000 |

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Oct 29 Received part payment from Akhil of Rs. 5,000 and deposited Rs. 3,000 out of it into bank

Q31.

Overdraft balance shown by the bank column in the Cash Book of Vivek is Rs. 45,000. Prepare Bank Reconciliation Statement as on 31<sup>st</sup> December, 2017: (6)

- a) A post-dated cheque of Rs. 5,000 previously discounted with the bank had been dishonoured and debited in the Pass Book.
- b) Interest on investment collected by the bank and credited in the Pass Book Rs. 1,500.
- c) Cheques deposited into bank but not yet collected Rs. 7,500.
- d) Interest charged by the bank on overdraft balance Rs. 1,850.
- e) Cheques issued but not yet presented for payment Rs. 11,350.
- f) Received a payment directly from a customer into bank account Rs. 12,500.
- g) Cheques recorded in the Cash Book but not sent to the bank for collection was Rs. 17,500.
- h) Bank charges debited as per Pass Book Rs. 500.

Q32.

Pass the Journal entries for the following transactions of Sahil: (6)

2025

- Apr 1 Sahil introduced cash as capital 5,00,000
- Apr 1 Opened a bank account by depositing cheque from his Saving Account 10,00,000
- Apr 2 Purchased goods of Rs. 1,00,000 against cheque less 10% Trade Discount
- Apr 2 Purchased furniture for Rs. 50,000 from Raj Furnitures
- Apr 3 Purchased Goods of Rs. 2,00,000 less 25% Trade Discount and paid immediately, received Cash Discount of 2%.
- Apr 7 Sold goods to Rakesh against cheque 50,000
- Apr 10 Sold goods to Raman Rs. 25,000 less 10% Trade Discount
- Apr 14 Received cheque from Raman and allowed 2% Cash Discount
- Apr 16 Paid to Raj Furniture Rs. 49,000 in full settlement of his account.

Q33.

From the above Journal post the transactions into ledger accounts. (6)

Q34.

Record the following transactions in purchases book and prepare purchase account and M/s Sudha Electronics Account (6)

2024

- Apr 4 Purchased from M/s Sudha Electronics (Invoice No. 3250). 20 mini-size TV @ 1,500 per piece, 15 tape recorders @ Rs. 12,500 per piece. Trade discount @ 20%
- pr 10 Bought from M/s Pawan Electronics (Invoice No. 8260) 10 video cassettes @ Rs. 150 per piece, 20 tape recorders @ Rs. 1,650 per piece. Trade discount @ 10%.
- or 18 Purchased from M/s Northern Electronics (Invoice No. 4256), 15 northern stereos @ Rs. 4,000 per piece, 20 northern colour TV @ 14,500 per piece. Trade discount @ 12.5%
- 26 Purchased from M/s Sudha Electronics (Invoice No. 3294). 10 mini-size TV @ Rs. 1,000 per piece, 5 colour TV @ Rs. 12,500 per piece. Trade discount Rs. 20%.
- 29 Bought from M/s Pawan Electronics for cash (Memo no. 8281), 20 video cassettes @ 150 per piece, 25 tape recorders @ Rs. 1,600 per piece. Trade discount @ 10%.

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