(7 pages)

MAY 2025 **U/ID 46508/UNC3A**

Time : Three hours Maximum : 75 marks

PART A — (10 × 2 = 20 marks)

Answer any TEN questions.

1. What is Book Keeping?

2. What is Trial Balance?

3. What is Ledger?

4. What do you mean by Balance sheet?

5. What is Trading account?

6. Give few examples for direct expenses.

7. Define Depreciation

8. Write the meaning of straight line method of depreciation.

9. What do you understand by 'Inter departmental transfers'?

10. What should be the basis of allocation for the Advertising and Insurance under departmental accounts?

11. What do you mean by Single entry System?

12. State any two features of single entry system.

PART B — (5 × 5 = 25 marks)

Answer any FIVE questions.

13. What are the objectives of accounting?

14. From the following details, pass journal entries

(a) Started business with cash Rs. 35,000

(b) Paid salaries Rs. 500

(c) Purchased goods from Guru Rs. 15,000

(d) Sold goods to Mr. Kuamar Rs. 34,000

15. From the following information, prepare balance sheet

	Rs.
Capital	4,00,000
Furniture	1,00,000
Bank balance	50,000

	Rs.
Cash in hand	75,000
Profit	25,000
Bills receivables	50,000
Bills payables	40,000
Sundry debtors	30,000
Sundry creditors	50,000
Goodwill	60,000
Building	1,50,000

16. Distinguish between straight-line method and diminishing value method of depreciation.

17. An asset is purchased for Rs. 25,000. Depreciation is to be provided annually according to the straight line method. The useful life of the asset is 10 years and the residual value is Rs. 5,000. You are required to find out the rate of depreciation.

18. From the following details, prepare departmental trading account.

	Rs.
Opening stock	9,000
Total purchases	27,000
Total sales	42,000
Closing stock	10,800
Credit purchases	17,000
Credit sales	5,000

19. From the following details find out profit or loss

The assets and liabilities in the beginning of the year were Rs. 40,000 and Rs. 25,000 respectively. Drawings Rs. 500 per month. Additional capital introduced during the year was Rs. 6,000. Capital at the end of the year Rs. 22,000.

PART C — (3 × 10 = 30 marks)

Answer any THREE questions.

20. Explain the various accounting concepts

21. From the following trial balance, prepare Trading, P and L account for the year ended 31st December, 2001 and Balance Sheet as on that date.

	Rs.		Rs.
Salaries	5,500	Capital	2,30,000
Rent	1,300	Creditors	9,500
Cash	1,000	Sales	32,000
Debtors	2,40,000	Loans	10,000
Trade expenses	600		
Purchases	25,000		
Advances	2,500		
Bank balance	5,600		
	2,81,500		2,81,500

Adjustments: The Closing stock was Rs. 9,000

22. The following purchases were made by a business house having three departments

Department – A – 1,000 units
Department – B – 2,000 units
Department – C – 2,400 units

at a total cost of Rs. 1,00,000

Stocks on 1st January were

Department – A – 120 units

Department – B – 80 units

Department – C – 152 units

Sales were:

Department – A – 1,020 units at Rs. 20 each

Department – B – 1,920 units at Rs. 22.50 each

Department – C – 2,496 units at Rs. 25 each

The rate of gross profit is same in each case. Prepare departmental trading account.

23. A second hand machine was purchased on 1.1.90 for Rs. 30,000 and repair charges amounted to Rs. 6,000. It was installed at a cost of Rs. 4,000. On 1st July 1991, another machine was purchased for Rs. 26,000. On 1st July 1992 the first machine was sold for Rs. 30,000. On the same day, one more machine was bought for Rs. 25,000. On 31.12.1992, the machine bought on 1st July 1991 was sold for Rs. 23,000. Accounts are closed every year on 31st December. Depreciation is written off at 15% per annum. Prepare the machinery account for 3 years ending 31.12.1992.

24. Balu maintains his books of account on single entry system. His book provides the information given below.

	1.4.2011	31.03.2012
Furniture	200	200
Stock	2,800	3,050

	1.4.2011	31.03.2012
Debtors	2,100	3,400
Cash	150	200
Creditors	1,750	1,900
Bills receivables	–	300
Loan taken	–	500
Investments	–	1,000

His drawings during the year were Rs. 500. Depreciate furniture by 10% and make a provision for doubtful debts @ 10% on debtors. Find out the profit or loss made during the year ending 31st March 2012.

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