This Question Paper consists of 45 questions and 12 printed pages.

Roll No. | | | | | | | | | | | | |

Code No. 71/S/224/A

SET – A

ACCOUNTANCY
(224-E)

Day and Date of Examination ____________________

Signature of Invigilators 1. ____________________

2. ____________________

General Instructions :

1. Candidate must write his/her Roll Number on the first page of the Question Paper.
2. Please check the Question Paper to verify that the total pages and the total number of questions contained in the Question Paper are the same as those printed on the top of the first page. Also check to see that the questions are in sequential order.
3. For the objective type questions, you have to choose any **one** of the four alternatives given in the question i.e. (A), (B), (C) or (D) and indicate your correct answer in the Answer-Book given to you.
4. All the questions including objective type questions are to be answered within the allotted time and no separate time limit is fixed for answering objective type questions.
5. Making any identification mark in the Answer-Book or writing Roll Number anywhere other than the specified places will lead to disqualification of the candidate.
6. Write your Question Paper Code No. **71/S/224/A, Set-A** on the Answer-Book.
7. The Question Paper is bilingual. In case of doubt, the English version should be considered as authentic.

ACCOUNTANCY
(224-E)

Time : **3** Hours] [Maximum Marks : **100**

Note :
(i) This question paper consists of **45** questions in all.

(ii) **All** questions are compulsory. Internal choice is given in some questions.

(iii) Marks are given against each question.

(iv) **Section – A** consists of Q. No. **1** to **20** that are Multiple Choice Questions (MCQs) carrying **one** mark each. Select and write the most appropriate option out of the **four** options given in each question.

(v) **Section** – **B** consists of Objective type questions No. **21** to **23** carry **2** marks each and Q. No. **24** to **29** carry **4** marks each. Attempt these questions as per the instruction given for each question.

(vi) **Section** – **C** consists of

(a) Q. No. **30** to **35** very short answer questions carrying **2** marks each to be answered in the range of **30** to **50** words.

(b) Q. No. **36** to **41** short answer type questions carrying **3** marks each to be answered in the range of **50** to **80** words.

(c) Q. No. **42** to **45** long answer type questions carrying **5** marks each to be answered in the range of **80** to **120** words.

NOTE :

(1) Answers of all questions are to be given in the Answer-Book given to you.

(2) 15 minutes time has been allotted to read this question paper. The question paper will be distributed at 02.15 p.m. From 02.15 p.m. to 02.30 p.m., the students will read the question paper only and will not write any answer on the answer-book during this period.

SECTION - A

Question No. 1 to 20 are MCQs of 1 Mark each.

1 Which concept prevents personal expenses from being included in business accounts? **1**

(A) Matching (B) Dual Aspect

(C) Business Entity (D) Accrual

2 The concept that considers every transaction has two equal sides is called: **1**

(A) Dual Aspect (B) Accrual

(C) Realization (D) Materiality

3 As per going concern concept business will continue exists: **1**

(A) For a limited period (B) For 10 years

(C) For 25 years (D) For a long period in the future

4 Which one is not a tangible asset? **1**

(A) Computer (B) Stock

(C) Computer Software (D) Cash

5 Goodwill is a ________. **1**

(A) Current Asset (B) Fixed Asset - Tangible

(C) Fixed Asset - Intangible (D) Current Liability

6 A person to whom money is payable by the firm for purchase of goods is called: **1**

(A) Debtor (B) Buyer

(C) Creditor (D) Supplier

7 A company decides to expense a small tool costing ₹ 5,000 instead of capitalizing it. Which accounting principle is applied? **1**

(A) Conservatism (B) Materiality

(C) Going Concern (D) Business entity

8 A company's revenue is ₹ 5,00,000 and the cost of goods sold is ₹ 2,00,000. What is the gross profit? **1**

(A) ₹ 3,00,000 (B) ₹ 2,00,000

(C) ₹ 5,00,000 (D) ₹ 7,00,000

9 We prepare credit note to give ________. **1**

(A) debit to an account (B) credit to an account

(C) both (A) and (B) (D) none of these

10 Under how many heads, accounts can be grouped under British Accounting System? **1**

(A) 3 (B) 1

(C) 4 (D) 5

11 Journal is called a book of - **1**

(A) Original entry (B) Special purpose

(C) Final entry (D) Secondary entry

12 Nominal Accounts refer to : **1**

(A) All Expenses (B) All Losses

(C) Incomes and Gains (D) All of these

13 Petty cash book balance is : **1**

(A) a profit (B) an expense

(C) an asset (D) a liability

14 Which balance of bank column signifies for bank overdraft? **1**

(A) Debit balance (B) Credit balance

(C) Both (A) and (B) (D) Transfer balance

15 Received ₹ 18,000 from Surjeet in full settlement of his account ₹ 20,000 will be recorded in ________. **1**

(A) Cash Book (B) Journal proper

(C) Both (A) and (B) (D) Sales Book

16 Sold goods to Sudarshna of list price ₹ 10,000 @ 10% trade discount and 2% cash discount. Sudarshna gave a cheque for 40% amount which was banked. Discount allowed will be debited by: **1**

(A) ₹ 1,000 (B) ₹ 180

(C) ₹ 72 (D) ₹ 200

17 M/s Ram Singh paid salary ₹ 10,000 and wages ₹ 5,000 to the workers on the last day of the month. Whether the compound journal entry can be recorded in the journal or not? **1**

(A) Yes (B) Not

(C) Can not say (D) Never

18 What is the primary role of computers in accounting? **1**

(A) To eliminate human oversight.

(B) To automate repetitive tasks and ensure accuracy in record keeping.

(C) To reduce the need of financial planning.

(D) To replace accountant entirely.

19 A feature of computerized accounting that tracks data changes: **1**

(A) Asset Management (B) Audit Trail

(C) Bank Reconciliation (D) Reporting

20 Commonly used accounting software is: **1**

(A) Tally (B) Window

(C) Easy Books (D) Credit Manager

SECTION - B

Question No. from 21 to 29:

21 Match the following : **1×2=2**

(a) Drawings	–	(i)	Amount invested in business
(b) Capital	–	(ii)	Amount withdrawn for personal use

22 Fill in the blanks: **1×2=2**

(i) The computerized accounting is one of the ________ oriented application.

(ii) Computerized accounting system is ________ to the manual accounting system.

23 State whether the following statements are True or False : **1×2=2**

(i) The going concern concept assumes that a business will continue to operate indefinitely.

(ii) The conservatism principle requires accountants to choose the accounting method that results in the highest reported income.

24 Fill in the blanks : **1×4=4**

(i) According to ________ concept business is considered distinct from its owner.

(ii) ________ principle requires the same accounting method be use for a long period of time.

(iii) Revenue is recognized from the date of ________ and not from the date of ________ of money.

(iv) As per dual aspect concept assets are equal to ________ + ________.

25 Match the following : **1×4=4**

(a) Cash in hand	(i) Liability
(b) Bank overdraft	(ii) Expenses
(c) Wages and Salaries	(iii) Income
(d) Rent received	(iv) Asset

26 State whether the following statements are True or False : **1×4=4**

(i) Only accountants can operate computerized accounting software.

(ii) Computerized accounting eliminates the need of auditing.

(iii) Computerized accounting can handle multi currency transactions.

(iv) A computerized accounting systgem are error free.

27 What are the two accounts of each of the following transactions? **1×4=4**

(i) Business started

(ii) Cash withdrawn from bank

(iii) Prepaid rent

(iv) Cash deposited into bank

28 Fill in the blanks : **1×4=4**

(i) Cash book is a subsidiary book in which all cash transactions are ________.

(ii) Receipt of cash is recorded on debit side and payment of cash recorded on ________.

(iii) Simple cash book has cash column but two column cash book have ________ and ________ column.

(iv) The cash book is a book of ________.

29 You have given the following business transactions and asked that which account is debited and credited? **1×4=4**

(i) Goods sold for cash ₹ 50,000.

(ii) Goods purchased from Jeet ₹ 40,000.

(iii) Cash paid to Prakash ₹ 25,000.

(iv) Rent outstanding ₹ 10,000.

SECTION - C

(Question No. 30 to 45) Internal choice have been given wherever necessary.

30 (a) What is the significance of Double Entry System in modern accounting? **2**

OR

(b) What is Contra Entry? Give an example of it.

31 (a) Why the Trial Balance is essential? **2**

OR

(b) What are the methods to prepare a Trial Balance?

32 Why is ledger called Principal Book? How does it differ with journal? **2**

33 (a) What factors are involved in providing depreciation? Name any two of them. **2**

OR

(b) Give two points of distinction between revenue reserve and capital reserve.

34 What do you mean by prepaid expenses? Give two examples of it. **2**

35 Prepare Trading Account in the Books of Ramada Ltd. for the year ending 31^{st} March, 2025. **2**

Sales .... ₹ 2,00,000

Return inward .... ₹ 10,000

Purchases .... ₹ 1,45,000

Return outward .... ₹ 5,000

Wages and Salaries .... ₹ 10,000

Salaries and Wages .... ₹ 5,000

Manufacturing Expenses .... ₹ 10,000

Closing Stock .... ₹ 15,000

36 Why is cash book called a book of original entry? Explain the types of Cash book. **3**

37 (a) Prepare Ledger Accounts from the following transactions : **3**

1. Commenced business ₹ 20,000
2. Purchased goods from Sakshi ₹ 10,000
3. Goods sold to Golu ₹ 15,000
4. Rent paid ₹ 500 and wages ₹ 600.
5. Goods withdrawn by the proprietor Mr. Surjeet for ₹ 15,000 (Cost ₹ 10,000)

OR

(b) What is Trial Balance? State its main objectives.

38 What do you mean by Depreciation? Mention any three causes of it. **3**

39 On 1st April, 2022 R Industries bought a machinery for ₹ 1,50,000. On 1st October, 2024, a part of machinery costing ₹ 50,000 on 1st April, 2022 was sold for ₹ 20,000 and a fresh machinery was purchased for ₹ 30,000 on the same date. Depreciation provided @ 10% p.a. on original cost method and accounts are closed on 31st March every year. Prepare Machinery A/c for three years. **3**

40 (a) What is Trading Account? What are the items shown on the debit side and credit side of Trading Account? **3**

OR

(b) Mr. Singh Bros. purchased a second hand machinery for ₹ 45,000 on 1st April, 2022. They spent ₹ 5,000 on its repair and maintenance on the same date. On 1st October, 2024 the machine was obsolete and sold at a loss of 30%. Depreciation was provided @ 10% on written down value method and accounts are closed on 31st March every year. Calculate the amount of depreciation and loss on sale of machine. Which is shown in the financial statements of 2024-25.

41 (a) Pass the Adjustment entries for the following : **3**

1. Outstanding Rent
2. Prepaid Insurance
3. Depreciation on Machinery

OR

(b) Draft a Balance Sheet in order of liquidity by showing all the items.

42 (a) Prepare journal in the books of M/s Manoj & Sons from the following business transactions : **5**

January, 2025

1 Commenced business ₹ 1,00,000.

2 Purchases goods from Ram for ₹ 40,000 at 10% trade discount.

5 Goods sold to Sonu for ₹ 50,000 at 5% Trade discount and 2% cash discount. Sonu paid half of the sales amount in cash.

9 Cash deposited into Bank ₹ 10,000.

12 Rent ₹ 5,000 paid by the firm for the residence of Proprietor.

OR

(b) What is Cash Book? Distinct between Cash Book and Cash Account.

43 (a) Why is Trial Balance not a conclusive proof of accuracy of books of accounts? What types of errors are not affected the Trial Balance agreement? Explain. **5**

OR

(b) What is Ledger? How does it differ with journal?

44 Differentiate between Trial Balance and Balance Sheet on the basis of object, sides, nature of Accounts, as a proof and period. **5**

45 From the following Balance of M/s Jaswal & Bros. on 31st March 2025, prepare Trading and Profit and Loss account and balance sheet as at the data : **5**

Particulars	**₹**	**Particulars**	**₹**
Bills payable	4,800	Sales	80,000
Purchases return	1,200	Capital	1,20,000
Sundry creditors	10,800	Opening stock	16,000
Commission received	480	Purchases	48,000
Carriage	4,680	Wages	4,000
Sales return	800	Drawings	6,000
Office expenses	1,000	Salaries	6,400
Discount	1,200	Repairs	4,800
Advertisement	2,000	Plant & Machinery	48,000
Building	40,000	Cash at Bank	10,400
		Sundry Debtors	24,000

Additional Information :

Closing Stock valued at ₹ 24,000 on 31st March, 2025. Plant & Machinery depreciated at 10% p.a. and Building at 5% p.a.

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