

+1 Annual Examination Acc[EM] March- 2026
I.Choose the best Answer 20X1=20

1. (c) Balance Sheet
2. (b) Application software
- 3.(b) Generally Accepted Accounting Principles
- 4.(d) Balancing
- 5.(a) Ledger page number
- 6.(b) Credited to capital account
- 7.(c) Furniture
- 8.(b) Financial position
- 9.(d) All accounts
- 10.(a) Statement
- 11.(c) Current period
- 12.(d) a, b and c
- 13.(c) $i(1+i)^n / (1+i)^n - 1$
- 14.(c) all credit sales of goods
- 15.(c) Journal proper
- 16.(b) Complete omission
- 17.(c) A customer's account in the bank's book
- 18.(c) An asset
- 19.(d) Both subsidiary book and principal book
- 20.(a) System failure

II. Answer any 7 question 7X2=14

21. Define Book Keeping: "Book Keeping is an art of recording business dealings in a set of books" - J.R. Batliboi. "Book Keeping is the science and art of recording correctly in the books of Account all those business transactions of money or money's worth" - R.N. Carter.

22. What is a Real Account: All Accounts relating to tangible and intangible properties and possessions are called Real Accounts. Example: Plant, Machinery, Building, Goodwill, Furniture, Patents, etc.

23. Complete the accounting equation:

Assets=	Capital+	Liabilities
50000=	27000	23000
15000=	9000	6000
49000	32000	17000

24. What is Journal Proper: It is a residuary book, which contains record of transactions which do not find a place in the subsidiary books. Such as cash book, purchases book, sales book, purchases returns book, sales returns book, bills receivables book and bills payables book

25. What is Bank Reconciliation Statement: It is a statement that reconciles the balance as per bank column of cash book, with the balance as per bank statement by giving reasons for such difference along with the amount

26. Methods of depreciation : *Straight line method
*Annuity method *Written down value method
*Revaluation method *Sum of years of digits method
*Sinking Fund method *Machine hour rate method
*Insurance Policy method

27.(i) 50,000 spent for railway siding - **Capital**

(ii) Loss on sale of old furniture - **Revenue**
(iii) Carriage paid on goods sold - **Revenue**

28. In the book of Mr. Sanjay Trading account

Particulars	Rs	Rs	Particular	Rs	Rs
Open stock		570			
Purchase	15800		Close stock		860
Return	90	15710	Sales	26200	
G profit c/d		10720	Return	60	26140
		27000			27000

29. What is Coding: Code is an identification mark.

It involves codification of Accounts. It is needed where there are numerous accounts heads in an organisation

30. Adjusting entry

Particulars	Debit `	Credit
Depreciation Furniture	1000	1000
Capital A/c Interest on drawings	500	500

III. Answer any 7 question

7X3=21

31. Only monetary transactions are recorded in accounting: According to this concept, only transactions that can be expressed in terms of money are recorded in the accounts. Since money serves as a medium of exchange, transactions expressed in money are recorded. It helps in understanding the states of affairs of the business. For example, if a business has 5 computers, 2 tables and 3 chairs this information cannot be useful, unless they are expressed in monetary terms Rs. 1,00,000 for computers Rs. 10,000/- for tables, Rs. 1,500/- for chairs.

32. Items	Classification
Capital	Personal account
Building	Real account
Cash	Real account
Bank	Personal account
Purchase	Nominal account
Commission received	Nominal account

33.A) Basis	Cash Discount	Trade Discount
1. Purpose	It is allowed to encourage the buyers of goods to make payment at an early date	It is allowed to encourage buyers to buy goods in large quantities
2. Time of Allowance	It is allowed at the time of making payment	It is allowed at the time of buying goods

3. Amount of Discount	It is related to time, earlier the payment, more will be the discount	It is related to the quantity of goods purchased, more the purchases, more will be the amount of discount.
4. Recording in books of Accounts	It is recorded in the books of accounts	It is not recorded in the books of accounts
5. Deduction from Invoice Value	It is not deducted from the invoice value of goods	It is deducted from the list of price of the goods

34. Bank reconciliation statement as on 31 st march

PARTICULARS	RS	RS
Balance as per cash book		7130
Add ; Directly deposited by a customer		800
		7930
Less ; Cheque deposited but not cleared		1000
Balance as per bank statement		6930

35. Golden Rules of Double Entry Accounting

Personal Account	Debit The Receiver	Credit The Giver
Real Account	Debit What Comes In	Credit What Goes Out
Nominal Account	Debit All Expenses And Losses	Credit All Incomes And Gains

36. Single column

Date	Receipt	Rs	Date	Payments	Rs
17Ja1	Bala	11200	Ja7	Rent	30
5	Ramesh	300	10	Mohan	700
8	Sales	300	27	Furniture	200
			31	Salaries	100
			31	Balance	10770
May1	Balance	11800			11800
		10770			

37. Adjusting entry

Provision for bad and doubtful debts = $1,50,000 \times \frac{5}{100} = 7,500$

37 Particular	Debit	Credit
doubtful debts	2000	
Sundry debtors A/c		2000

38. FURNITURE ACCOUNT

Date	Part	Rs	Date	Part	Rs
16Ja1	Bal b/d	2000	16Ja30	Cash	400
	Cash	4000	25	Bal c/d	5600
		6000			6000
16Fe1	Bal b/d	5600			

39. (a) Purchases account should be **debited** with 90.
 (b) Purchases account should be **credited** with 180.
 (c) Sales account should be **credited** with 270.
 (d) Sales returns account should be **credited** with 360

40. Amount of depreciation per year =

$\frac{\text{original cost of the asset} - \text{estimated scrap value}}{\text{Estimated useful life of the asset in years}}$

$$= \frac{100000 - 10000}{5} = \frac{90000}{5} = 18000$$

Rate of depreciation =

$\frac{\text{per year amount of depreciation}}{\text{Original cost}} \times 100$

Original cost

$$= \frac{18000}{100000} \times 100 = 18\%$$

100000

IV. Answer all questions

7x5=35

41. Role of Accountant in the Modern Business World

Record Keeper: The Accountant maintains a systematic record of financial transactions. He also prepares the financial statements and other financial reports.

Provider of Information to the Management: He provides Financial Information to Management for decision making and for exercising control.

Protector of Business Assets: The Accountant maintains the records of Assets owned by the Business which enables the Management to protect and exercise control over these Assets.

Financial Advisor: The Accountant advises the Business Manager, regarding Investment Opportunities, capital budgeting, expansion of enterprise, etc.

Tax Manager: The Accountant prepares Tax Returns and files correctly on time and ensures the tax is paid on time.

41.B Cash Account

Capital	50000	Purchases	4000
Sales	8000	Balance C / d	54000
	58000		58000

Capital Account

Balance C/d	50000	Cash	50000
	50000		50000

Dr Sales Account

Cr

Balance C/d	17000	Cash	8000
		Devi A/c	9000
	17000		17000

Devi Account

Sales	9000	Balance C / d	9000
	9000		9000

Purchase Account

Cash	4000	Balance C/d	9000
Shanthi A/c	5000		
	9000		9000

Shanthi Account

Balance C/d	5000	Purchase	5000
	5000		5000

42.A JAYASEEL JOURNAL ENTRIES

Date	Particulars	Debit	Credit
2018 Jan 1	Cash a/c Dr To Jeyaseeli's Capital a/c	80000	80000
2	Bank a/c Dr To Cash a/c	40000	40000
3	Purchase a/c Dr To Cash a/c	10000	10000
4	Purchase a/c Dr To Libton a/c	80000	80000
5	Cash a/c Dr To Sales a/c	11000	11000
6	Salaries a/c Dr To Cash a/c	5000	5000
7	Libton a/c Dr To Bank a/c	10000	10000
8	Furniture a/c Dr To Cash a/c	4000	4000
9	Insurance premium a/c Dr To Bank a/c	10000	10000
10	Electricity charges a/c Dr To Cash a/c	300	300

42.B)Basis	Journal	Ledger
1) Stage of Recording	Recording in the journal is the first stage	Recording in the Ledger is the second stage
2) Order of Recording	Entries are made in the Chronological order. i.e. Date wise	Entries are made Account wise
3) Process	The process of recording in the Journal is called Journalising	The process of recording in the Journal is called Posting
4) Basis of Entries	Entries are made on the basis of Source Documents	Posting is done on the basis of Journal Entries
5) Net Position	ascertained from Journal	Net Position of an Account can be ascertained from Ledger Account

43.Rajesh Trial balance

S.NO	PARTICULARS	Debit	Credit
1	Bills receivable	13000	
2	Bank charges	750	
3	Conveyance charges	350	
4	Discount received		1300
5	Cash in hand	1000	

6	Drawings	7000	
7	Sundry debtors	17100	
8	Bills payable		12000
9	Capital		25900
	Total	39200	39200

43.(OR)Point of difference	Straight line method	Written down value method
1. Basis of calculation	Depreciation is calculated on the original cost of the asset for all the years.	Depreciation is calculated on the written down value of the asset year after year.
2. Amount of depreciation	The amount of depreciation is the same for all the years.	The amount of depreciation goes on decreasing year after year.
3. Book value of the asset at the end of its life	The book value of the asset becomes zero when there is no scrap value or is equal to its scrap value at the end of its life.	The book value of the asset never becomes zero.
4. Computation of rate of depreciation	It is easy to calculate the rate of depreciation.	It is very difficult to calculate the rate of depreciation.
5. Order of calculation of depreciation amount	Amount of depreciation is calculated first, followed by the rate of depreciation.	Rate of depreciation is calculated first, followed by the amount of depreciation.
6. Total charge	As the cost of repair goes on	As the cost of repair increases and

	increasing with the passage of time, the total charge, i.e., the total of depreciation amount and repair amount keeps on increasing from year to year.	depreciation decreases with the passage of time, total of depreciation amount and repair amount charged to profit and loss account remains almost the same from year to year.
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Date	Part	Rs	Date	Part	Rs
09 A1	Bank	92000	De31	Deprecia Bal c/d	6900 85100
		92000			92000
09J 1	Bal b/d	85100	De 31	Depreciat Bal c/d	9200 75900
		85100	31		85100
10J a1	Bal b/d	75900	De 31	Deprecia Bank	4600 52000
		20000	31	Profi&los	19300
		75900			75900

45 (OR) Particulars		Dr	Cr
Salary A/c	Dr	10000	
To Kumanan A/c			10000
Rent A/c	Dr	6000	
To Senguttuvan A/c			6000
Sales A/c	Dr	2000	
To Furniture A/c			2000
Kumararaja A/c			
To Sales A/c			
Drawings A/c	Dr	10000	
To Manimaran A/c			10000

44.(i) 5,000 spent towards additions to buildings is **capital expenditure**.

(ii) The entire amount of ` 32,000 should be treated as **capital expenditure**.

(iii) 10,000 spent on painting the new factory should be treated as **capital expenditure**.

(iv) Freight, cartage and erection charges are **capital expenditures**.

(v) 150 being expense to bring the asset in usable condition, is a **capital expenditure**.

44.(OR) Bank reconciliation statement

PARTICULARS	RS	RS
Overdraft as per cash book		2500
Add ; Insurance premium paid		1000
		3500
Less ; Interest on debentures received by bank	200000	
Amount received by bank RTGS	700	
Cheque issued put not presented pay	1800	
		202500
Balance as per bank statement		199000

45. PROFIT OR LOSS ON SALE OF MACHINERY

Particulars	Rs
Cost of machinery	64000
+ Installation charges	28000
	92000
1 st Depreciation 31.12.2008	6900
	85100
2 nd – Depreciation 31.12.2009	9200
	75900
3 rd 30.6.2010 -Depreciation	4600
Book value on the date of sale	71300
Sales value	52000
Loss on sale of machinery	19300

46.Profit and loss A/C

Partic	₹	₹	Partic	₹	₹
Salaries		18000	G/p		50000
Office ren		12000	Rent.r	2000	
Advertise		8000	Accred	500	2500
Carriage		2500	DIS.Re		3000
Fire insura	6500				
Prepaid	1500	5000			
Manager		1000			
Net profit		9000			
		55500			55500

46.(OR)Mr.Ganesh Trading and profit and loss account

Particular	₹	₹	Particular	₹	₹
Openstock		8000	Sales		42000
Purchase		22000	Clos. stock		4500
Exp.pure		2500			
Gross c/d		14000			
		46500			46500

Profit and loss account

Particular	₹	₹	Particular	₹	₹
Fina charg		3500	Gross p b/d		14000
Exp sal		1000			
Bad debts		1200			
Trade exp		1200			
Dis all		600			
Commis		1100			
Selling exp		600			

Repairs vehicles		600			
Net profit		4200			
		14000			14000

47.Date	Particulars	Rs	Rs
2017 Ap1	Prasad kancheepuram		
	100 meters silk 450	45000	
	75 meters velvet 180	13500	58500
20	Hari ram and son		
	50 Rolls kada cloth 730	36500	
	80Rolls cotton cloth 650	52000	8850
	Purchase a/c		147000

47.(OR)

Re	D	par	Rs	Po	W	Su	Pri	Ca	Co
2000	1	Cash							
	7	Pads	100				100		
	8	Wh.p	50				50		
	10	Auto	200						200
	15	Wag	300		300				
	18	Post	100	100					
	21	Stati	450				450		
	23	Tea	60			60			
	25	S.Pos	150	150					
	27	Refre	250			250			
	31	Carri	150					150	
		Tota	1810	250	300	310	600	150	200
	31	c/d	190						
2000			2000						
10	1	b/d							
1810		Cash							