

Model Questions-2077

Grade: XI Subject: Principle of Accountancy-I (1031) F.M.:75

Set-I

Candidates are required to give their answers in their own words as far as practicable. The figures in the margin indicate full marks.

Section A

Very short answer questions

Attempt All Questions.

[1×11=11]

1. Write any two objectives of accounting.
1. Define materiality principle.
2. Define Nepal accounting standards
3. List out the modern banking system.
4. List out the objectives of preparing trial balance.
5. What is adjusting entry?
6. Define the error of omission with example.
7. What is reserve?
8. Define capital profit with examples.
9. What is New Government Accounting System of Nepal?
10. What is budget sheet?
11. What is Treasury Single Account used in new government accounting system in Nepal?

Group B

Short answer questions

Attempt All Questions.

[8×5 =40]

12. (A) Explain the ethics in accounting in short.

(B) Develop separate accounting equation from the following transactions: [2]

- a) Sarthak started business with cash Rs.500,000.
- b) Yogi purchased goods for Rs.60,000 from Ganesh.
- c) Hari paid salary of Rs.10,000 by cheque to Sangit.
- d) Shyam sold goods costing Rs.10,000 for Rs.20,000 to Shree.

13. (A) Following transactions are given:

- Falgun 1 : Balance of cash Rs. 80,000 and bank overdraft Rs. 1,25,000
 Falgun 5 : Received a cheque of Rs. 20,000 from Kabita and in full settlement of Rs. 22,000
 Falgun 10 : Deposited cash into bank Rs. 50,000.
 Falgun 25 : Received rent Rs. 8,000.

Required: Triple column cash book.

[3]

[Ans: Cash: Rs. 38,000 Dr. and Bank: Rs. 55,000 Cr.]

- (B) Following transactions of Surya Furniture are given:

- Kartik 1 : Sold to Pradeep.
 -100 benches @ Rs.500 each.
 - 50 chairs @ Rs.800 each.
 (10% trade discount)
 Kartik 10 : Sold to Gita Traders
 - 10 tea tables @ Rs. 3,000 per table at 10% trade discount
 - 10 sofa sets @ Rs. 15,000 per set

Required: Sales book.

[2]

[Total: Rs. 258,000]

14. Following information are extracted from the books of Everest Company:

- a. On Chaitra 30, 2077, Company book showed overdraft of Rs. 30,000 and bank statement showed overdraft of Rs.28,000.
- b. Deposit in transit of Rs.40,000.
- c. Debit EFT Rs.3,000.
- d. Credit EFT for dividend income Rs.10,000
- e. Outstanding cheque Rs.10,000.
- f. Customer directly deposited into the bank Rs.25,000.

Required: Bank reconciliation statement to determine adjusted bank balance to report in the financial statements. **[5]**

[Ans: Adjusted balance: Rs. 2,000]

15. (A) The following errors were located before preparing trial balance.

- a) Purchased goods worth Rs. 10,000 from Hari was recorded as sales.
- b) Paid wages to Ram Rs. 20,000 was debited to Ram.
- c) Received rent Rs. 10,000 was posted in rent account Rs. 1,000.

Required: Entries for rectification.

- (B) The following information is extracted from the books of a trader:

Trial Balance As on 32nd Ashadh

Particulars	Debit Rs.	Credit Rs.
Sundry debtors	62,000	
Provision for doubtful debts		3,000

Adjustments:

- Bad debts to be written off Rs.2,000
- A provision for doubtful debts to be created @10% on sundry debtors.

Required: Provision for doubtful debts account.

[2]

[Ans: Estimated bad debt expenses: Rs.5,000]

OR

An unadjusted trial balance of Sindhuli Company is as given below:

Particulars	Dr. (Rs.)	Cr. (Rs.)
Capital	--	50,000
Sales	--	90,000
Purchases	45,000	--
Prepaid rent	25,000	--
Investment	6,000	--
Wages	7,000	--
Debtors	22,000	--
Creditors	--	40,000
Salaries	40,000	--
Furniture	30,000	--
Cash at Bank	5,000	--
Total	1,80,000	1,80,000

Adjustments:

- Depreciation on furniture to be provided @ 10%
- Prepaid rent expired Rs. 22,000
- Provision for bad and doubtful debt @ 5%
- Wages dues Rs. 3,000

Required: Adjusted trial balance.

[5]

[Ans: Adjustments total: Rs. 29,100 and Adjustment Trial Balance Rs. 183,000]

16. Standard Company purchased a machine on July 1, 2018 for Rs.60,000 and spent Rs.10,000 for installation and transportation. It also purchased another machine for Rs.40,000 on 1st January, 2019. On 31st December 2020 it sold the machine purchased on 1st January, 2019 at a loss of Rs.6,400. On the same date, another machine was purchased for Rs.35,000. Depreciation is charged at 10% p.a. under written down value method at the end of December every year.

Required: Machine account for the first three years.

[5]

[Ans: Sales: Rs. 26,000, Balance Rs. 88,865]

17. Kamal and Kamal has given you her trial balance as on 31st December 2016.

Account heads	Amunt(Rs.)	
Purchase	2,50,000	--
Carriage inward	14,000	--
Sales	5,00,000	
Wages	45,000	--
General expenses	9,000	--
Salary expenses	33,000	--
Advertising	15,000	--
Stock at beginning	35,000	--
Unearned commission	25,000	

Prepaid insurance	15,000	--
Closing stock	1,00,000	
Royalty	12,000	--
Interest on loan	5,000	

Additional information :

- Outstanding wages Rs. 5,000.
- Prepaid insurance expired was Rs. 13,000.
- Unearned commission was earned to the extent of Rs. 20,000

Required : (a) Trading account (b) Profit and loss account

[2+3 = 5]

[Ans: G.P: Rs. 146,000 and NP: Rs. 91,000]

18. The followings are the balance sheet of last year and receipt and payment account of current year of Youth Club.

Balance Sheet

As on 31st Chaitra, 2076

Liabilities	Amount	Assets	Amount
Capital fund	1,00,000	Fixed assets	90,000
Subscription	18,000	Subscription due	3,000
Outstanding wages	2,000	Cash and bank	27,000
	1,20,000		1,20,000

Receipt and Payment Account

For the year ended on 31st Chaitra, 2077

Receipts	Amount (Rs.)	Payments	Amount (Rs.)
To Balance b/d	27,000	By Wages and salaries	20,000
To Subscription		By Rent	30,000
For 2076	3,000	By Furniture	20,000
For 2077	<u>40,000</u>	By Balance c/d	30,000
To Entrance fees	20,000		
To Rent income	10,000		
	100,000		100,000

Additional information:

- Subscription outstanding Rs.8,000
- Depreciation on furniture at 10% p.a.

Required: a) Income and expenditure account

b) Balance sheet

[3+2 = 5]

[Ans: Surplus: Rs. 46,000 and Balance sheet total: Rs. 146,000]

19. (A) A trader started a business with cash Rs. 40,000 and plant Rs. 100,000 on 1st Shrawan 2077. He maintains his books of account under single entry system. He introduced additional capital in the business Rs. 20,000. He withdrew Rs. 2,000 per month. His position at the end of the year 31st Chaitra, 2077 was:
- | | | | |
|----------------|------------|-----------|--------------|
| Cash | Rs. 40,000 | Premises | Rs. 2,50,000 |
| Stock in trade | Rs. 20,000 | Creditors | Rs. 35,000 |
| 10% Bank loan | Rs. 50,000 | | |

Additional information:

- Interest due on bank loan for six months.
- Depreciation on premises 10% p.a.

Required: a) Statement of affairs [1]
 b) Statement of profit and loss [1]

[Ans: Closing capital: Rs. 197,500 and Net profit: Rs. 55,000]

- (B) Following transaction of District Education Office, Kathmandu are given to you.

- Shrawan 2 Issued a payment order to DTCO of Rs.500,000 to open a letter of credit (L/C) in the name of Supersonic Computer Supplier for purchasing computers.
- Shrawan 30 Issued a payment order to DTCO for the distribution of employee remuneration and local allowance after deducting the provident fund of Rs.16,000, social security tax of Rs.800 and income tax of Rs.2,000 out of the remuneration of Rs.88,000 and allowance Rs.8,000.
- Shrawan 31 Recorded as budget release for the payment of salary and local allowance on Shrawan 30.

Required: Journal voucher [3]

Or

- The following transaction of District Land Revenue Office, Darchula are given to you:

- On 2077/12/1 Issued a payment order to DTCO to give advance to Section Officer for Rs.5,000 for the payment of petty expenses.
- On 2077/12/2 Advance payment for petty expenses was recorded as budget release.
- On 2077/12/29 Issued a payment order to DTCO to distribute the total employees remuneration of rs.330,000 (including government PF. Contribution) for the month of Kartik and local allowance of Rs.20,000, after deducting PF. Of Rs.100,000, social security tax Rs.5,000 and income tax of Rs.15,000.
- On 2077/12/30 Payment of employee remuneration for the month of Kartik was recorded as budget release.
- On 2077/12/31 Na. Su. Mrs. Manita reported the following petty expenses for clearing the advance.

Files, pens and pencils	Rs.200	Taxi fare	Rs.205
Bank charges	Rs.100	Pooja expenses	Rs.120

Required: Bank cash book [5]

Group C
Long answer questions

(3 x 8 = 24)

Attempt All Questions.

20. Following transactions are given to you:

- May 1: Started a small business with cash Rs.150,000 .
 May 5: Purchased furniture from Soniya for Rs. 10,000.
 May 12: Paid salary to Rita for Rs. 10,000.
 May 20: Paid Rs. 4,000 to Soniya.
 May 24 : Withdrawn cash for private use for Rs. 5,000
 May 28 : Paid Rs. 5,000 to Soniya in full settlement.

Required: a) Journal entries b) Necessary ledger accounts c) Trial balance

[3+4+1=8]

[Ans: Trial balance total: Rs. 151,000]

21. The following is the trial balance of Srinagar Trading Concern on Chaitra 31, 2077:

Particulars	Amount	Particulars	Amount
Land.....	210,000	Capital stock.....	260,000
Motor car	200,000	10% Bank loan	50,000
Salaries	50,000	Sales	500,000
Interest on loan	3,000	Commission income.....	10,000
Purchases	230,000	Account payable	50,000
Beginning inventory	30,000	Retained earnings	40,000
Goodwill	35,000	Accumulated depreciation: motor car	10,000
Prepaid rent	50,000		
Account receivable	100,000		
Bank balance	12,000		
Total	920,000	Total	920,000

Additional information

- Ending inventory Rs.90,000.
- Estimated allowance for doubtful debt at 5%
- Salary payable Rs. 5,000.
- Prepaid rent expired Rs.10,000.
- Depreciate motor car by 10%.
- Income tax rate at 25%

Required: a) Multi-step Income statement b) Classified balance sheet

[Ans.: NI: Rs. 157,500 and BS total: Rs. 617,000]

OR

What is bank cash book? Mention its objectives. Explain briefly the accounts involved in bank cash book. Write any three factors that should be considered while preparing bank cash book. [1 + 1 + 4 + 2 = 8]

22. (A) The following transactions of District Irrigation Office, Dhading are given to you:

B.H. No.	Budget head	Annual budget	Expenses upto Falgun
21111	Employees' remuneration	2,00,000	98,000
21132	Dearness allowance	20,000	7,600
22311	Office related expenses	15,000	7,500
31123	Furniture & fixture	80,000	45,000
31122	Machinery and tools	1,00,000	75,000
	Total	415,000	233,100

The following are transaction occurred during the month of Chaitra:

- Chaitra 1 Issued a payment order to DTCO of Rs.1,000 to give advance to Assistant officer Mrs. Gita for petty expenses.
 Chaitra 2 Recorded as budget release for the advance payment of petty expenses.
 Chaitra 5 Issued a payment order to DTCO of Rs.20,000 for the payment of machinery purchase.
 Chaitra 6 Recorded as budget release for the payment of machinery purchase on
 Chaitra 30 Issued a payment order to DTCO for the distribution of total employees' remuneration of Rs.55,000 for the month after deducting Rs.10,000 for provident fund, Rs.500 for social security tax and Rs.2,000 for income tax.

Required: Budget sheet [4]

- (B) The following particular of District Forest Office, Kailali are given:

B.H.No.	Budget Heads	Annual Appropriation	Expenditure of Falgun	Budget Balance
21111	Employees remuneration	600,000	55,000	310,000
21133	Field allowance	100,000	10,000	50,000
22612	Travelling expenses	150,000	60,000	55,000
28142	House rent	300,000	24,000	100,000
28142	House rent	300,000	24,000	100,000
22313	Books and materials	50,000	5,000	22,000
22111	Water and electricity	120,000	10,000	50,000
	Total	1,320,000	164,000	587,000

Additional information:

- An advance given for travelling expenses Rs.3500 and cleared Rs.2800.
- Advance column of bank cash book shows Rs.23,000 in debit and Rs.20,000 in credit for allowance.

Required: Statement of expenditure [4]

[Ans: Expenditure upto Magh Rs. 5,69,000]

Set-II

Candidates are required to give their answers in their own words as far as practicable.
The figures in the margin indicate full marks.

Section A

Very short answer questions

Attempt All Questions

[11x 1=11]

1. What is Accounting?
2. Define money measurement concept with example.
3. Write the meaning of Nominal Accounts with any two examples.
4. What is trade discount?
5. Mention any two reasons for the dishonor of cheque.
6. What is journal proper?
7. What is the adjusted entry of the transaction 'Depreciation on machinery Rs.40,000' ?
8. Write any two objectives of reserve.
9. Mention the different accounts involved in Bank Cash Book.
10. What is budget sheet?
11. Write any two importance of statement of expenditure.

Section B

Short answer questions

Attempt All Questions.

[8x5=40]

12. A. Explain any three features of double entry book keeping system. [3]
B. Following transactions are given:
 - a. Commenced business with cash Rs.20,000.
 - b. Paid salary Rs.4,000.
 - c. Purchased furniture on credit Rs.10,000.
 - d. Sold goods for Rs.5,000.

Required: Accounting equation [2]
[Ans: Assets=26,000, Capital=16,000, Liabilities=10,000]
13. The following transactions are given to you:
 - 1-1 Started business with cash and furniture Rs.100,000 and Rs.50,000 respectively.
 - 1-2 Purchased furniture from Ram Rs.75,000.
 - 1-3 Settled Ram's account after receiving 10% discount.

Required: a. Journal entries [3]
b. Ram's account [2]
14. Prepare Bank Reconciliation Statement from the following information.
 - a. Cash book showed a balance of Rs.90,000 on 30th March 2021.
 - b. Cheque sent to bank before 30th March Rs.15,000 but bank credited only Rs.10,000.
 - c. A cheque issued but not presented for payment Rs.8,000.
 - d. A debtor directly deposited into the bank Rs.3,000.
 - e. Amount of Rs.1,200 credited by bank.
 - f. Bank charges Rs.200 debited in pass book.

[Ans: Rs.97,000]

15. A. The trial balance of ABC. Company Ltd. as on 31st Ashadh is given below:

Particulars	Amount Rs.	Amount Rs.
Capital	-	150,000
Revenue	-	400,000
Longterm loan	-	125,000
Sundry creditors	-	25,000
Cash in hand	20,000	-
Sundry debtors	30,000	-
Fixed assets	350,000	-
Rent	100,000	-
Purchase and wages	200,000	-
Total	700,000	700,000

Adjustments:

- a. Depreciation on fixed assets Rs.30,000
- b. Wages payable Rs.20,000.
- c. Closing stock Rs.35,000.

Required: Adjusted trial balance

[3]

[Ans: Rs.755,000]

- B. Following is the extract of trial balance as on 31st December 2019

Particulars	Debit Rs.	Credit Rs.
Sundry debtors	100,000	-
Provision for bad debt	-	6,000

Additional Information

Make a provision for bad debt @10% on debtors.

Required: a. Journal entries

[1]

b. Provision for bad debt account

[1]

[Ans: Rs. 4,000]

OR

Rectify the following errors which were located after preparing of trial balance.

[5]

- a. Furniture worth Rs.11,000 purchased for personal use was debited to purchase a/c
- b. Rs.300 paid for repair to building was charged to building account.
- c. Purchase book was overcast by Rs.3,000.
- d. Credit sales of Rs.130 to Jina, was recorded as Rs.440.
- e. Goods of Rs.1,700 sold to Dipa but recorded in purchase book.

16. The transaction related to the machinery are given:

1-January 2017 Opening balance of machinery Rs.80,000

1-July 2017 Machinery purchased of Rs.30,000

31-Dec- 2018 The first machine became obsolete and sold for Rs.60,000.

1-January 2019 A new machinery was purchased for Rs.50,000.

Required: Machinery Account for first 3 years with depreciation 10% p.a. under reducing balance method

[Ans: Balance Rs.68,085]

17. The following is the trial balance of a firm for the year ended Ashadh 2076.

Particulars	Debit Rs.	Particulars	Credit Rs.
Building	324,000	Capital	600,000
Drawing	75,000	Loan	50,000
Furniture	30,000	Sales	600,000
Plant and machinery	90,000	Commission	4,000
Purchase	3,25,000	Creditors	75,000
Beginning stock	175,000	Bills payable	60,000
Wages	50,000	Provision for bad debt	3,000
Prepaid insurance	10,000		
Debtors	150,000		
Cash in Bank	15,000		
Bills receivable	60,000		
Salaries	75,000		
Advertisement	10,000		
Interest paid	3,000		
Total	1342,000		1342,000

Additional information

- Closing Stock Rs.170,000
- Bad debt Rs.10,000
- Prepaid Insurance expired Rs.3,000

Required: a. Trading a/c b. Profit and loss a/c [3+2]

[Ans: GP-Rs.220,000 NP-Rs.126,000]

18. You are given the balance sheet of previous year and current year's receipt and payment account.

Balance sheet as on 31-12-2075

Liabilities	Amount Rs.	Assets	Amount Rs.
Capital Fund	10,000	Furniture	15,000
Loan	15,000	Cash	10,000
	25,000		25,000

Receipt and Payment Account for the year ended 31-12-076

Receipt	Amount	Payment	Amount
To Balance b/d	10,000	By Salaries	2,500
To Subscription	16,500	By Furniture	10,000
To Sales of furniture (Loss Rs.1,000)	6,000	By Re-payment of loan	15,000
To Loan	5,000	By Interest on loan	1,500
		By Balance c/d	8,500
Total	37,500	Total	37,500

Required:

- Income and expenditure a/c [3]
- Balance sheet as on 31-12-076 [2]

[Ans: Rs.11,500 & Rs.26,500]

19. A. A trader started business on 1st Baisakh 2076 with a capital of Rs.50,000. His position at the end of the year 2076 was as under:

Inventory	60,000	Advance Income	10,000
Bank	30,000	Prepaid Expenses	25,000
Accounts payable	50,000		
Drawing's for the domestic use during the year	Rs.25,000		

Required:

- Statement of affairs showing closing capital [1]
- Statement of profit and loss [1]

[Ans Rs.55,000 & Rs. 30,000]

B. The following are the financial transactions in the books of Agricultural Knowledge Centre, Bhaktapur.

- On 1st Ashwin 2076, office rent paid to land lord Mr. Sanjeev Shrestha for Rs.12,000 for the month of Ashwin by issuing payment order.
- On 10th Ashwin 2076, electricity bill for Rs.1,250, water bill for Rs.300 and telephone bill Rs.1,200 paid to concerned offices by issuing payment order.
- On 18th Ashwin 2076 advance for TADA Rs.13,000 paid to field officer Mr. Karki for official tour to Pokhara by issuing payment order.

Required: Journal voucher [3]

20. The following transactions are given to you. All the transaction are recorded as budget release after their payment by DTCO.

- Poush 1 Issued a payment order to DTCO for issuing a cheque of Rs.1,000 to accountant Mr. Gokul as advance for travelling expenses.
- Poush 10 Issued a payment order for the payment of Rs.4,500 for the purchase of office furniture.
- Poush 20 Issued a payment order of Rs.31,000 for distributing the employee remuneration for the month of Magh after deducting Rs.8,000 for provident fund, Rs.400 for social security tax Rs.2,000 for income tax and 2,600 for citizen investment fund. The deducted amounts were deposited in the concerned accounts on the same day.
- Poush 29 Accountant Gokul submitted the bill of travelling expenses of Rs.1,200 and his advance was cleared by issuing a payment order for the excess amount of expenditure.

Required: Bank cash book.

Section C Long answer questions

Attempt All Questions

[3X8=24]

21. Following transactions are given to you:

- Commenced business with cash Rs.100,000 and Bank Rs.50,000.
- Cash deposited into the bank Rs.70,000.
- Cash withdrawn from the bank for office use Rs.40,000.
- Cash withdrawn from the bank Rs.50,000 for personal use.

Required:

- a. Journal entries [2]
- b. Necessary ledger accounts [4]
- c. Trial balance [2]

22311	Office supplies	54,000	10,000	5,500
22213	Medicine purchase	10,000	500	0
31123	Furniture	35,000	6,000	3,000
	Total	515,000	147,000	42,500

Required: Statement of expenditure for the month of Bhadra [4]

22. The following items are given as on 31st December 2020:

Debit	Rs.	Credit	Rs.
Building	50,000	Sales revenue	655,000
Cost of goods sold	350,000	Long term loan	70,000
Accounts receivable	75,000	Capital	350,000
Depreciation on building	6,000	Account payable	25,000
Salaries sales personnel	12,000	Other current liabilities	15,000
Machinery	250,000	Accumulated depreciation on building	15,000
Rent expenses	24,000	Accumulated depreciation on Equipment	12,000
Stock	7,000		
Cash at bank	75,000		
Goodwill	50,000		
Equipment	25,000		
Patents	150,000		
Salaries	48,000		
Depreciation on equipment	5,000		
Goodwill written off	15,000		

- Required:** a. Income statement [4]
b. Classified balance sheet as on 31st Dec. 2020 [4]
[Ans: Rs. 195,000 & Rs.655,000]

OR

What is government accounting? Mention any five differences between government accounting and commercial accounting. [3+5=8]

23. A. The following information is provided to you:

Annual Budget	Budget Heads	Expenses up to Ashwin	Expenses of Kartik
800,000	Employee remuneration	180,000	60,000
40,000	Local allowance	10,000	4,000
60,000	Office operating expenses	12,000	6,000
100,000	Furniture	40,000	10,000

- Mar 10: Received bills for purchase of furniture of Rs.12,500 against the advance of Rs.10,000 paid to Mr. Bhatta and his advance is cleared.
Marg 20: Issued a payment order of Rs.5,000 for the payment of office materials
Marg 30: Issued payment order for employee remuneration for Rs.60,000.

Required: Budget Sheet (use printed form or make your own) [4]

B. The following information are given:

BH.No	Budget Heads	Annual Budget	Expenses of Shrawan	Expenses of Bhadra
21111	Employee remuneration	360,000	120,000	30,000
21132	Dearness allowance	36,000	8,500	2,500
28142	House rent	20,000	2,000	1,500

Set-III

Candidates are required to give their answers in their own words as far as practicable.
The figures in the margin indicate full marks.

Section A (Very short answer question)

Attempt All Questions.

[11x 1=11]

1. What are the branches of accounting?
2. Mention any two objectives of book-keeping.
3. What do you mean by accounting period concept?
4. Write any two objectives of trial balance.
5. What is endorsement of cheque?
6. Write about error of commission?
7. What is provision?
8. Write any one difference between capital receipt and revenue receipt?
9. What is treasury single account system?
10. Mention the parts of budget sheet.
11. Write any two importance of statement of expenditure.

Section B Short answer questions

Attempt All Questions.

[8x5=40]

12. A) Define Nepal Financial Reporting Standards. [3]
B) Following transactions are provided to you
- a. Started business with cash Rs. 300,000 and equipment Rs. 50,000.
 - b. Purchased machinery of Rs. 30,000 .
 - c. Paid salary Rs. 8,000 .
 - d. Sold goods for Rs. 20,000 to Nita and received Rs. 8,000 partially.
- Required:** Accounting equation [2]
[Ans: Assets=342,000, Capital=342,000 , Liabilities=Nil]
13. A) The following transactions are provided to you.
- March 01: Started business with cash Rs. 150,000 and bank balance Rs. 50,000.
March 05: Deposited cash into bank Rs. 30,000.
March 10: Rent Paid rent through cheque Rs 5000.
March 25: Received Rs. 18,000 from Divyangee in the full settlement of her account of Rs. 20,000.
- Required:** Double column cash book with cash and bank column [3]
[Ans: Cash =138,000 (Dr.), Bank =75,000 (Dr.)]
- B) Following return related transactions are given:
- January 10: Returned to Bimal Stationary
2 dozens of books @ Rs.2,000 per dozen.
10 pieces of copy @ Rs 150 each.
(10% trade discount)

January 15: Returned to Meena Stationery
5 dozens of Pencils @ Rs. 80 per dozen at 10% trade discount.

Required: Purchase return book [2]
[Total = Rs.40,230]

14. Following particulars are given

- a. On Magh 30, the balance of bank account as shown by cash book was Rs 40,000.
- b. Various cheques of Rs 25,000 were issued for payment but cheque of Rs 10,000 was not presented for payment.
- c. Insurance premium of Rs 3,000 paid by bank recorded in pass book but not recorded in cash book.
- d. Different cheques of Rs 21,000 were paid into bank but cheque of Rs 11,000 only was credited by bank.
- e. Amount deposited by customer directly into bank Rs 4,500 recorded in Pass book but not recorded in cash book.

Required: Bank reconciliation statement [5]
[Ans: Bank balance = 41,200]

15. A) Rectify the following errors which were located before preparing the trial balance [3]

- a. Sold of old furniture of Rs 10,000 has been wrongly recorded as sales account.
- b. Amount received from Surendra of Rs 5,000 has been wrongly recorded as Rs 15,000 in books.
- c. A credit sale of goods of Rs 3,000 to Hari has been wrongly posted in credit side of his account.

(B) Following transactions are given

- a. Opening balance of provision for doubtful debt account Rs 2,000
- b. Bad debts written off Rs 3,000
- c. Closing balance of trade debtors Rs 50,000
- d. Provision for doubtful debt to be maintained @5%

Required: Provision for doubtful debt account. [2]
[Ans: P/L a/c 3,500]

OR

An unadjusted trial balance of a company is given below.

Particulars	Debit (Rs)	Credit (Rs)
Capital		80,000
Creditors		20,000
Sales		100,000
Furniture	30,000	
Debtors	25,000	
Bank Balance	40,000	
Salary	30,000	
Rent	7,000	
Purchase	68,000	
Total	200,000	200,000

Additional information

- Depreciation to be charged @10% on furniture
- Make a provision for doubtful debt@5%
- Prepaid salary expenses Rs 5,000.
- Outstanding rent Rs 3000

Required: Adjusted trial balance

[5]

[Ans: Adjusted TB = 203,000]

16. Transaction relating to machinery are given

Shrawan1, 2068: Machinery 'A' purchase @ Rs 100,000

Kartik 1, 2069: Machinery 'B' purchased @ Rs 200,000

Magh 1, 2070 : Machinery 'A' sold for Rs 75,000

Chaitra 31, 2070: Machine 'C' purchased @ Rs 300,000

The company charged depreciation @10% on fixed installment method. Accounts are closed on 31st Chaitra each year.

Required: Machinery account for three years

[1+2+2=5]

[Loss on sale = 5,000]

17. Given below is the Trial Balance of a trader as on 31 Chaitra 2071

Particulars	Debit (Rs)	Credit (Rs)
Gross profit		50,000
Building	324,000	
Capital		6,00,000
Drawing	75,000	
Bank loan		50,000
Machinery	120,000	
Commission		4,000
Creditors		135,000
Provision for bad debt		3,000
Insurance	10,000	
Debtors	210,000	
Bank balance	65,000	
Salary	25,000	
Advertisement	10,000	
Interest expense	3,000	
Total	8,42,000	8,42,000

Additional information

- Commission receivable Rs 6,000
- Bad debt Rs 2,000
- Depreciation machinery by 10% .

Required:

i) Profit and loss Account

ii) Balance sheet

[3+2=5]

[Ans: NP=Rs.1,000, B/S Total = 711,000]

18. Following is the balance sheet of a club are given below

Balance sheet as on 31st Chaitra 2076

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Capital fund	82,000	Building	61,000
Creditors	8,000	furniture	20,000
		Cash balance	9,000
Total	90,000	Total	90,000

Receipt and Payment account as on 31st Chaitra 2077

Receipt	Amount (Rs.)	Payment	Amount (Rs.)
To balance b/d	9,000	By Salary	24,000
To Subscription	30,000	By Printing and stationary	5,000
To Donation	20,000	By Miscellaneous expenses	8,000
To Sale of old newspaper	1,000	By Balance c/d	23,000
Total	60,000	Total	60,000

Additional information

- Depreciate furniture by 10% p.a.
- Outstanding subscription Rs 1,500

Required: i) Income and expenditure account

ii) Balance sheet as on 31st Chaitra 2077

[3+2=5]

[Ans: Surplus = 13,500, B/S Total = 103,500]

19. A) Dinesh keeps his account under single entry system. He started business with bank of Rs 100,000 on Baishakh 1, 2077. At the year end his position was as under.

Bank Balance	Rs. 30000	Loan	Rs 15000
Building	Rs 100000	Stock	Rs 10000
Creditors	Rs 30000	Debtors	Rs 50000

His monthly drawing were Rs 500.

Required: i) Closing statement of affairs ii) Statement of profit and loss [1+1=2]

[Ans: Closing capital = 145,000, Profit = 51,000]

B) Following are the transaction of District Education office, Rupandehi.

Shrawan 3: Purchased a furniture for Rs 60000 and issued a payment order to the District Treasury Controller Office for making payment

Shrawan 17: Mr. Kamal Thapa advance of furniture is cleared after depositing excess amount of Rs 6,000 into the bank against the bill of Rs 46,000 submitted by him.

Shrawan 28: Out of total employee remuneration for the month of Rs 330,000, Rs 66,000 of provident fund (including government contribution), Rs 10,000 for citizen investment trust and Rs.3,000 for social security tax were deducted and issued payment order for rest.

Required: Journal voucher

[1+1+1=3]

OR

The following transactions of District Administration office, Palpa , were given for the month of Kartik 2077

B.H No	Budget Heads	Annual Budget	Expenditure upto the end of Ashwin
21111	Employee remuneration	5,20,000	2,55,000
21123	Local Allowance	30,000	15,000
21121	Dresses	1,40,000	53,000
22112	Communication charges	55,000	21,000
22311	Office related expenses	34,000	18,000
31122	Machinery and tools	1,00,000	34,000
		879,000	396,000

Kartik 5 Issued a payment order of Rs 2,500 to DTCO for the payment of telephone charges.

Kartik 6 Recorded as budget release for the payment of telephone charges on Kartik 5

Kartik 29 Issued a payment order to DTCO for the distribution of total employee salary of Rs 46,200 and local allowance of Rs 8,000 after deducting of Rs 8,400 for provident fund, social security tax of Rs 420 and Rs 2,000 for income tax. Issued payment order for the deducted amounts to deposit into concerned accounts on the same day.

Kartik 30 Recorded as budget release for the payment of salary to employee on
Required: Budget sheet for the month of Kartik. [5]

Section C Long Answer questions

Attempt All Questions [3×8=24]

20. You are given the following transactions of ABC. Company Limited

- 2021-01-01 Started business with cash Rs.200,000 and bank Rs.120,000.
- 2021-01-05 Purchased goods of Rs.50,000 from Ram
- 2021-01-08 Sold goods on cash of Rs.30,000
- 2021-01-09 Paid to Ram Rs 20,000 through cheque
- 2021-01-10 Machinery purchased on cash Rs.40,000.
- 2021-01-14 Paid to Ram Rs 28,000 in full settlement of his account.

Required: A. Journal entries B. Necessary ledger accounts C. Trial balance
[3+4+1=8]
[Ans: T/B total = 352,000]

21. The trial Balance of Dharmendra Store as on 31st Ashad 2077 is given below

Particular	Debit Rs	Credit Rs
Capital		200,000
Sales		510,000
Purchase	320,000	
Carriage	5,000	
Wages	20,000	
Debtors	40,000	

Creditors		30,000
10% Bank loan		40,000
Interest on loan	2,000	
Advertisement	8,000	
Machinery	160,000	
Rent	75,000	
Opening stock	80,000	
Prepaid insurance	20,000	
Salaries	30,000	
Cash	20,000	
Total	780,000	780,000

Additional information

- a. Closing stock Rs 35000
- b. Outstanding wages Rs 5000
- c. Depreciate machinery by 15%
- d. Interest on loan due for 6 months
- e. Only half of the prepaid insurance was expired

Required: a) Income statement based on NFRS b) Balance sheet based on NFRS

[4+4=8]

[Ans: Net loss = 36,000, B/S total = 241,000]

OR

What is government accounting? Explain the objectives of new government accounting system. [3+5=8]

22. A) Following transactions took place during the month of Kartik of the current year of District Health Office, Dhangadi

Kartik 1 Issued a payment order to DTCO to give advance of Rs 5,000 to section officer Mr Bhattarai for the purchase of stationary

Kartik 2 Advance payment made for the purchase of stationary recorded as budget release

Kartik 10 Received machinery from the central level office of Rs 250,000 and recorded as budget release

Kartik 14 Issued a payment order of Rs 50,000 for the purchase of computer and recorded as budget release

Required: Bank cash book [4]

B) From the following information, prepare a statement of expenditure for the month of Kartik [4]

Budget head	Annual budget	Exp. upto	Exp. upto Kartik
Employee remuneration	255,000	90,000	105,000
Local allowance	37,000	12,500	17,000
Travelling expenses	57,000	8,000	12,000
Furniture	72,000	16,000	27,000
Production materials	42,000	9,000	12,000

Additional information:

Rs 5,000 was cleared out of advance given for purchasing production material

*****The End*****