



## **PRACTICE SET**

**End Semester Examination, Dec. 2025**

**Program: BCA**

**Semester: I**

**Subject: Basic Accountancy**

**Subject Code: 3CSEC101**

### **Course Learning Objective:**

- CLO 1: Understand the nature, scope, objectives, branches and principles of financial accounting. And also enable learners to understand the journal transactions, ledger, trial balance and errors disclosed by it.
- CLO 2: It includes Bank reconciliation statement, its features, objectives and its preparation as per both methods and also different types of errors and its rectifications.
- CLO 3: Provide students with an understanding of the importance of bills of exchange, its constituents and explain the concepts of depreciation, the methods of providing depreciation as well as obsolescence, amortization depletion and fluctuations.
- CLO 4: Understand the preparation of P/L statement and Balance sheet as well as its adjustment for ascertaining the financial position of the business.

### **Course Outcome:**

On completion of the Course, the students will be able to:

- CO 1: Understand the objectives, scope, importance, branches and principles of financial accounting and its applications in business organizations and record journal transactions, posting it into ledger and prepare trial balance as well as understand the methods to allocate errors in trial balance.
- CO 2: Understand the objectives and purpose of Bank reconciliation statement, preparation according to balance and total method and apply the rectification of different types of errors in subsidiary books to solve business problems.

CO 3: Evaluate the due date, days of grace in bills of exchange, analyze the difference between bills of exchange and promissory notes. Understand depreciation, analyze the causes of depreciation, factors affecting depreciation and fixed & reducing instalment method to solve problems.

CO4: Analyzing a firm's financial activities using financial statement analysis tools to know the company's overall performance.

### SECTION A

#### **Question for Five (5) marks:**

1. Define the term Accounting. Describe its Scope. [CO1, Unit I, BTL – LOT, Remember]
2. Explain the branches of Accounting [CO1, Unit I, BTL – LOT, Understand]
3. Explain whether accounting is science or art or both. [CO1, Unit I, BTL – LOT, Understand]
4. State the advantages of Journal Entries. [CO1, Unit I, BTL – LOT, Remember]
5. State the Objective of Bank Reconciliation Statement. [CO2, Unit II, BTL – LOT, Remember]
6. From the following particulars, prepare Bank Reconciliation Statement as on 31<sup>st</sup> December, 2024: [CO2, Unit II, BTL – LOT, Apply]
  - i) Debit balance as per Cash Book ₹ 10000.
  - ii) A cheque for ₹ 500 issued in favour of Karan has not been presented for payment.
  - iii) A post-dated cheque of ₹ 1000 debited in the bank column of the Cash Book but not sent to bank.
  - iv) A cheque for ₹ 295 deposited in the bank has been dishonoured.
  - v) A sum of ₹ 800 deposited in the bank has been credited as ₹ 80 in Pass book.
  - vi) Payments side of the Cash Book has been undercast by ₹ 200.
7. State the meaning of a trial balance? Describe its limitations. [CO1, Unit I, BTL – LOT, Remember]
8. Describe the meaning of suspense account? When it is opened and how it is eliminated? [CO2, Unit II, BTL – LOT, Understand]
9. Define BRS. Describe the steps for preparing BRS. [CO2, Unit II, BTL – LOT, Remember]
10. Describe the meaning of Bills of Exchange. State the three parties involved in a bill of exchange. [CO3, Unit III, BTL – LOT, Remember]
11. Compare between Straight line method and written down value method for providing depreciation. [CO3, Unit III, BTL – LOT, Understand]
12. Calculate the due date of the bill in following cases: [CO3, Unit III, BTL – LOT, Apply]
  - i) 27th November, 2023      Period: 3 months
  - ii) 30th June, 2023      Period: 2 months
  - iii) 1st July, 2023      Period: 60 days
  - iv) 30th June, 2023      Period: 30 days
  - v) 31st January, 2024      Period 1 month
13. State the following terms – [CO3, Unit III, BTL – LOT, Remember]

- i) Provision      ii) Reserve      iii) Amortization      iv) Endorsement of Bill  
v) Discounting of Bill.

14. State briefly the need of providing depreciation. [CO3, Unit III, BTL – LOT, Remember]

15. Draw the format of trading and profit and loss account. [CO4, Unit IV, BTL – LOT, Remember]

16. How do you deal with the following adjustments:      [CO4, Unit IV, BTL – LOT, Apply]

- i) Outstanding expenses  
ii) Interest on Capital  
iii) Prepaid expenses  
iv) Accrued income  
v) Interest on drawings

17. Explain the meaning of Trading and Profit & Loss account. State its Characteristics. [CO4, Unit IV, BTL – LOT, Understand]

18. State whether the following statements are items of capital or revenue expenditure: [CO4, Unit IV, BTL – LOT, Apply]

- i) Expenditure incurred on repairs and whitewashing at the time of purchase of an old building in order to make it usable.  
ii) Registration fees paid at the time of purchase of a building  
iii) Expenditure incurred in the maintenance of a tea garden which will produce tea after four years.  
iv) Depreciation charged on a plant.  
v) The expenditure incurred in erecting a platform on which a machine will be fixed.

19. State the objective of financial statement.      [CO4, Unit IV, BTL – LOT, Remember]

### SECTION -B

#### Question for Ten (10) marks:

20. Following balances were extracted from the books of Ritesh on 31<sup>st</sup> March, 2025. You are required to prepare on Trial Balance. The amount required to balance should be entered as capital. [CO1, Unit I, BTL – HOT, Analyse]

Particulars	₹
Purchases	170000
Stock (1 <sup>st</sup> April,2024)	24000
Sales	105000
Sundry Debtors	23800
Discount Received	3500
Carriage Outwards	700
Cash in Hand	3500
Machinery	124500
Provision for Depreciation on Machinery	24200
Drawings	7700
Return inwards	3500
Premises	528000
Sundry Creditors	16100

Discount Allowed	2800
Carriage Inwards	1400
Cash at Bank	17500
General Expenses	2100
Bad Debts Written Off	2450
Provision for doubtful Debts	2380

21. Describe accounting standard. Explain the branches of Accounting. [CO1, Unit I, BTL – LOT, Understand]
22. Define trial balance. Why is it prepared? Is the trial balance a conclusive proof of arithmetical accuracy in the books of accounts? Explain. [CO1, Unit I, BTL – LOT, Remember]
23. Transactions of Ramesh for April, 2025 are given below. Journalise them.  
[CO1, Unit I, BTL – HOT, Analyze]

2025	Ramesh started business with cash ₹ 50000 and cheque ₹ 100000	₹
April 1	Paid for repair of premises	10000
April 2	Cash deposited into bank	70000
April 3	Brought goods	5000
April 4	Drew cash from bank for office	1000
April 13	Bought goods from Shyam	22500
April 13	Paid cartage on goods purchased	500
April 20	Sold goods to Krishna	15000
April 24	Received from Krishna on account	10000
April 28	Paid to Shyam by cheque	22500
April 29	Placed on order for goods with Parul & Co.	3000
April 30	Cash sales	8000
April 30	Paid salary to Ram	3000
April 30	Received order from Dev of ₹100000 along with advance	10000
April 30	Received balance payment from Krishna	

24. On examining the Bank Statement of Green Ltd., it is found that the balance shown on 31<sup>st</sup> March, 2022, differs from the bank balance of ₹ 23650 shown by the Cash Book on that date. From a detailed comparison of the entries it is found that: [CO2, Unit II, BTL – HOT, Analyze]
- ₹ 2860 is entered in the Cash Book as paid into the bank on 31<sup>st</sup> March, 2022 but not credited by the bank until the following day.
  - Bank charges of ₹ 70 on 31<sup>st</sup> March, 2022 are not entered in the Cash Book.
  - A bill for ₹ 5500 discounted with the bank is entered in the Cash Book without recording the discount charges of ₹ 270.
  - Cheques totalling ₹ 16720 were issued by the company and the company and duly recorded in the Cash Book before 31<sup>st</sup> March, 2022 but had not been presented at the Bank for payment until after that date.

- v. On 25<sup>th</sup> March, 2022 , a debtor paid ₹ 1000 into the Company's Bank in settlement of his account but no entry was made in the Cash Book of the company in respect of this.
- vi. No entry has been made in the Cash Book to record the dishonour on 15<sup>th</sup> March, 2022, of a cheque for ₹ 550 received from Ram Babu.

25. Describe the various types of errors? How would you rectify various errors in accounting?  
[CO2, Unit II, BTL – LOT, Remember]

26. Explain all the possible reasons for the difference between bank column of pass book and customer's cash book. [CO2, Unit II, BTL – LOT, Understand]

27. On 31<sup>st</sup> March, 2025, the Cash Book of Gautami showed bank balance of ₹ 12500. Entries in Pass Book and Cash Book were compared and following differences were identified:

Particulars	₹
i. Cheques issued but not yet presented for payment.	6000
ii. Cheques deposited in the bank but not collected	9000
iii. The bank had wrongly debited the account of Gautami by ₹ 5000 which was rectified after 31 <sup>st</sup> March, 2025.	
iv. Bank charges not yet recorded in the Cash Book	300
v. Interest on investment collected by bank	2000
vi. Directly deposited in the bank by a customer	8000
vii. Cash discounted allowed was recorded in the debit side of bank column	200

Prepare bank Reconciliation Statement as on 31<sup>st</sup> March, 2025.[CO2, Unit II, BTL – HOT, Analyze]

28. Bring out the difference between capital expenditure and revenue expenditure. Also explain deferred revenue expenditure with examples. [CO3, Unit III, BTL – HOT, Analyze]

29. Distinguish between a bill of exchange and promissory note. [CO3, Unit III, BTL – HOT, Analyze]

30. A Ltd. purchased on 1st April, 2019 a machinery for Rs. 2,91,000 and incurred Rs. 9,000 for installation. On 1st October another machinery for Rs. 1,00,000 was purchased. On 1st October 2020 the machinery purchased on 01/04/2019 having become useless was sold for Rs. 1,93,000 and on that day a new machinery was purchased for Rs. 2,00,000.

Depreciation was provided on 31st March each year @ 10 percent p.a on written Down Value.

You are required to prepare machinery account. [CO3, Unit III, BTL – HOT, Evaluate]

31. Amit sold goods for ₹ 20,000 to Sumit on credit on Jan 01, 2017. Amit drew a bill of exchange upon Sumit for the same amount for three months. Sumit accepted the bill and returned it to Amit. Sumit met his acceptance on maturity. Record the necessary journal entries under the following circumstances:

(i) Amit retained the bill till the date of its maturity and collected directly

- (ii) Amit discounted the bill @ 12% p.a from his bank
- (iii) Amit endorsed the bill to his creditor Ankit
- (iv) Amit retained the bill and on March 31, 2017 Amit sent the bill for collection to its bank.

On April 05, 2017 bank advice was received. [CO3, Unit III, BTL – HOT, Evaluate]

- 32. Explain the meaning of balance sheet? How it is prepared? Differentiate between trial balance and balance sheet. [CO4, Unit IV, BTL – LOT, Understand]
- 33. Following balance is extracted from the books of a trader prepare trading and Profit & Loss account for the year ended March 31, 2017. [CO4, Unit IV, BTL – HOT, Evaluate]

Particulars	Amount	Particulars	Amount
Sales	75,250	Advertisement	1,800
Purchases	32,250	Commission paid	150
Opening stock	7,600	Office expenses	1,600
Sales return	1,250	Wages	2,600
Purchases return	250	Profit on sale of investment	500
Rent	300	Depreciation	800
Stationery and printing	250	Dividend on investment	2,500
Salaries	3,000	Loss on sale of old furniture	300
Misc. expenses	200	Closing stock	8,000
Travelling expenses	500	(March 31, 2017 `	

- 34. Explain the meaning of final account? Explain the main objectives of financial statements. Also explain direct expenses and indirect expenses with examples. [CO4, Unit IV, BTL – LOT, Understand]
- 35. Following balances appear in the books of Hari Bros:

Date	Transection	Amount
1 <sup>st</sup> April, 2020	Machinery A/c	80,000
	Provision for depreciation A/c	36,000

On 1st April, 2020, they decided to sell a machine for Rs. 8,700. This machine was purchased for Rs. 16,000 in April, 2016. Prepare the Provision for Depreciation Account and Machinery Account on 31st March, 2021, assuming the firm has been charging Depreciation at 10% p.a. on Straight Line Method. [CO3, Unit III, BTL – HOT, Evaluate]

### SECTION -C

#### Question for Ten (20) marks:

- 36. Following balances exist in the books of Ashok, Delhi on 1<sup>st</sup> April, 2025:

Assets: Cash ₹ 50000; Stock ₹ 30000; Debtor- Ram ₹ 50000; Machinery ₹ 60000.

Liabilities: Creditors-Rajesh ₹ 30000.

The following transactions took place in April, 2025:

2025		₹
April 4	Sold goods for Cash	7000
April 6	Goods returned by Ram	1000
April 10	Purchased goods from Rajesh of list price ₹10000 for	9000
April 15	Bought goods of list price of ₹ 15000 from Rakesh less 10% trade discount and 5% cash discount and paid 40% of amount immediately.	
April 20	Paid to Rajesh In settlement of his account	38600
April 25	Paid for the life insurance premium of the proprietor	500
April 30	Received commission	2000

Pass Journal entries for the above transactions, post them into the ledger and prepare the Trial balance as on 30<sup>th</sup> April, 2025. [CO1, Unit I, BTL – HOT, Analyze]

37. On Jan 15, 2015, Kartar Sold goods for ₹ 30,000 to Bhagwan and drew upon him three bills of exchanges of ₹ 10,000 each payable after one month, two months and three months respectively. The first bill was retained by Kartar till its maturity. The second bill was endorsed by him in favour of his creditor Ratna and the third bill was discounted by him immediately @ 6% p.a. All the bills were met by Bhagwan. Journalise the above transactions in the books of Kartar, Bhagwan and Ratna. [CO3, Unit III, BTL – HOT, Analyze]
38. Ashoka & Co. whose books are closed on 31st March, purchased a machinery for Rs 1,50,000 on 1st April, 2018, Additional machinery was acquired for Rs 50,000 on 1st October, 2018. Certain machinery which was purchased for Rs 50,000 on 1st October, 2018 was sold for Rs 40,000 on 30th September, 2020.  
Prepare the Machinery Account and Accumulated Depreciation Account for all the years up to the year ended 31st March, 2021. Depreciation is charged @ 10% p.a. on Straight Line Method. Also, show the Machinery Disposal Account. [CO3, Unit III, BTL – HOT, Analyze]
39. Prepare trading and profit and loss account of M/s Sports Equipments for the year ended March 31, 2017 and balance sheet as on that date : [CO4, Unit IV, BTL – HOT, Analyze]

Account Title	Debit	Credit
	Amount	Amount
Opening stock	50,000	
Purchases and sales	3,50,000	4,21,000
Sales returns	5,000	
Capital		3,00,000

Commission		4,000
Creditors		1,00,000
Bank overdraft		28,000
Cash in hand	32,000	
Furniture	1,28,000	
Debtors	1,40,000	
Plants	60,000	
Carriage on purchases	12,000	
Wages	8,000	
Rent	15,000	
Bad debts	7,000	
Drawings	24,000	
Stationery	6,000	
Travelling expenses	2,000	
Insurance	7,000	
Discount	5,000	
Office expenses	2,000	

Closing stock as on March 31, 2017 `2,500

40. From the following balances, prepare the trading and profit and loss account and balance sheet as on March 31, 2014. [CO4, Unit IV, BTL – HOT, Analyze]

<i>Debit Balances</i>	<i>Amount Rs.</i>	<i>Credit Balances</i>	<i>Amount Rs.</i>
Drawings	6,300	Capital	1,50,000
Cash at bank	13,870	Discount received	2,980
Bills receivable	1,860	Loans	15,000
Loan and Building	42,580	Purchases return	1,450
Furniture	5,130	Sales	2,81,500
Discount allowed	3,960	Reserve for bad debts	4,650
Bank charges	100	Creditors	18,670
Salaries	6,420		
Purchases	1,99,080		
Stock (opening)	60,220		
Sales return	1,870		
Carriage	5,170		
Rent and Taxes	7,680		
General expenses	3,630		
Plant and Machinery	31,640		
Book debts	82,740		
Bad debts	1,250		
Insurance	750		
	<u>4,74,250</u>		<u>4,74,250</u>

Adjustments

1. Closing stock Rs. 70,000
2. Create a reserve for bad and doubtful debts @ 10% on book debts
3. Insurance prepaid Rs. 50
4. Rent outstanding Rs. 150
5. Interest on loan is due @ 6% p.a.

**Summary:**

**CO Wise:**

CO	Ques. No	Marks
CO1	1,2,3,4,7,20,21,22,23,36	85
CO2	5,6,8,9,24,25,26,27	60
CO3	10,11,12,13,14,28,29,30,31,35,37,38	115
CO4	15,16,17,18,19,32,33,34,39,40	95
		355

**Unit Wise:**

Unit	Ques No	Marks
I	1,2,3,4,7,20,21,22,23,36	85
II	5,6,8,9,24,25,26,27	60
III	10,11,12,13,14,28,29,30,31,35,37,38	115
IV	15,16,17,18,19,32,33,34,39,40	95
		355

### Blooms Taxonomy Level (BTL) Wise

BTL	Ques No	Marks
LOT	1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,21,22,25,26,32,34	155
HOT	20,23,24,27,28,29,30,31,33,35,36,37,38,39,40	200
		355

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**Reviewed By:**

**Disclaimer:** - This is a Practice Set. The Question in End term examination will differ from the Practice set. This Practice set is meant for practice only.