

Model Question Paper
Final Accounts - Adjustments - Part II

12th Standard

Accountancy

Reg.No. :

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- I. Answer all the questions.
II. Use Blue pen only.
III. Question No 16 is compulsory.

Time : 01:00:00 Hrs

Total Marks : 150

Section-A

3 x 1 = 3

- 1) Prepaid expenses are shown on the _____ side of the balance sheet.
- 2) Income accrued but not received will be shown on the _____ side of the Balance sheet.
- 3) Income received in advance will be shown on the _____ side of the Balance sheet

Section-B

3 x 1 = 3

- 4) Closing stock is shown in
(a) Profit and loss account (b) Trading account and Balance sheet (c) None of the above.
- 5) Opening stock is shown in
(a) Balance sheet (b) Profit and Loss account (c) Trading account
- 6) Gross Profit is transferred to
(a) Capital account (b) Profit and loss account (c) None of the above

Section-C

4 x 5 = 20

- 7) How will the following adjustments appear in the Balance sheet as on 31.3.2000.
Sundry debtors Rs. 21,000
Bad debts to be written off Rs. 1,000
Provide @ 5% provision for Bad and Doubtful debts and @ 2% Provision for discount on Debtors.
- 8) Commission received given in Trial Balance is Rs.1,000 as on 31st December 1994. Commission accrued but not yet received Rs.150. Show the adjusting entry.
- 9) The Trial Balance shows the value of machinery on 31.3.04 as Rs.50,000. Machinery is to be depreciated at 10%. Pass adjustment entry and show how this item will appear in the Final accounts.
- 10) Write notes on Provision for discount on Debtors.

Section-D

4 x 12 = 48

- 11) Give adjusting entry and transfer entry for the following adjustments: a) Interest on drawings Rs. 5,000.
b) Depreciation on machinery Rs.4,000.
c) Write off bad debts Rs.2,000.
- 12) Trial Balance as on 31.3.05 shows Rs.40,000 as Insurance premium paid. Unexpired insurance premium Rs.5,000. Pass adjusting entry and show how this item will appear in the Final accounts.
- 13) Credit side of Trial Balance as on 31.4.05 shows 'Commission received Rs.10,000.' Commission accrued but not yet received Rs.4,000. Pass adjusting entry and show how this item will appear in the Final accounts.
- 14) Trial balance as on 31.3.05 shows 'Rent received Rs.30,000.' Rent received in advance Rs.6,000. Pass adjusting entry and show how this item will appear in the Final accounts.

Section-E

2 x 20 = 40

- 15) The following are the balances extracted from the books of Mrs.Nandhini as on 31.03.2002.

Debit Balances	Rs.	Credit Balances	Rs.
Drawings	40,000	Capital	2,00,000
Cash in Hand	17,000	Sales	1,60,000
Cash at Bank	65,000	Sundry Creditors	45,000
Wages	10,000		
Purchases	20,000		
Stock (1.4.2001)	60,000		
Buildings	1,00,000		
Sundry Debtors	44,000		
Bills Receivable	29,000		
Rent	4,500		
Commission	2,500		
General Expenses	8,000		
Furniture	5,000		
	4,05,000		4,05,000

Adjustments: 1. Closing stock Rs.40,000 2. Interest on Capital at 6% to be provided. 3. Interest on Drawings at 5% to be provided. 4. Wages yet to be paid Rs.1,000 5. Rent Prepaid Rs.900 Prepare Trading and Profit and Loss Account and Balance sheet as on 31.3.2002.

16) a) From the following Trial Balance of Mr. Ravi, prepare Trading and Profit and Loss Account for the year ended 31st March, 2002 and a Balance Sheet as on that date.

Trial Balance

Particulars	Debit Rs.	Credit Rs.
Capital		40,000
Sales		25,000
Purchases	15,000	
Salaries	2,000	
Rent	1,500	
Insurance	300	
Drawings	5,000	
Machinery	28,000	
Bank Balance	4,500	
Cash	2,000	
Stock (1.4.2001)	5,200	
Debtors	2,500	
Creditors		1,000
	66,000	66,000

Adjustments required:

- Stock on 31.3.02 Rs.4,900
- Salaries unpaid Rs.300
- Rent paid in advance Rs.200
- Insurance prepaid Rs.90

(OR)

b) The following are the balances extracted from the books of Ganesh as on 31.3.1999. Prepare Trading and Profit and Loss account for the year ending 31.3.1999 and a Balance Sheet as on that date. Trial Balance as on 31.3.1999

Debit Balances	Rs.	Credit Balances	Rs.
Drawings	4,000	Capital	20,000
Cash at Bank	1,700	Sales	16,000
Cash in Hand	6,500	Sundry Creditors	4,500
Wages	1,000		
Purchases	2,000		
Stock (1.4.1998)	6,000		
Buildings	10,000		
Sundry Debtors	4,400		
Bills receivable	2,900		
Rent	450		
Commission	250		
General expenses	800		
Furniture	500		
	40,500		40,500

The following adjustments are to be made: a) Stock on 31.3.99 was Rs.4,000. b) Interest on capital at 6% to be provided. c) Interest on Drawings at 5% to be provided. d) Wages yet to be paid Rs.100. e) Rent prepaid Rs. 50.
