

NATIONAL MANAGEMENT COLLEGE – PERUNDURAI

CMA INTER BATCH 2023 - 2024 ACCOUNTS- TEST NO.1-13/09/2023

TIME: 1.5 HOURS

MARKS:50

Question no.1

1*5=5Marks

Recognise the accounting principle in the following cases:

- (a) Transactions are recorded at their original cost.
- (b) Inventories are valued at lower of its cost and realizable value.
- (c) Accounting treatment once decided should not be changed from one period to another.
- (d) Unsold stock is deducted from the cost of goods available for sale to arrive at cost of goods sold.
- (e) A business is assumed to run for an indefinite period.

Question no.2

6 Marks

The following transactions relate to Mr. J for the month of January, 2018. You are required to prepare an accounting equation from these transactions:

2018 January	
1	Started business with cash ₹ 48,000.
4	Purchased goods in cash from D Bros. for ₹ 8,000.
6	Bought furniture worth ₹ 14,000 in cash.
9	Sold goods costing ₹ 2,500 to Mr. X for ₹ 4,000 in cash
12	Purchased goods in credit from B & Sons. Worth ₹ 28,000
16	Sold goods costing ₹ 4,800 to Mr. Y for ₹ 6,000 on credit.
20	Paid ₹ 5,000 cash to B & Sons., the supplier.
22	Paid Salaries ₹1,600.
27	Received Interest ₹ 1,400.
31	Collected ₹ 6,000 from his customer, Mr.Y

Question no.3

5 Marks

Classify the following transaction between capital and revenue:

- (a) A plant constructed for ₹ 10,50,000.
- (b) Profit earned by sale of fixed assets ₹ 25,000
- (c) Amount received from customers for services rendered ₹ 2,00,000
- (d) Regular repairs and maintenance incurred on old machine ₹ 24,000
- (e) Annual rates and taxes paid to local authority ₹ 2,000

Question no.4

4 Marks

Enter the following transactions in sales Book of M/s. Pranat Engineers Ltd., Delhi. 2020

Jan.2. Sold to M/s. Ajanta Electricals, Delhi 5 pieces of Ovens @ ₹ 6,000/- each Trade discount @ 10%.

8 Sold to M/s. Ajanta Electricals Plaza, 10 pieces of Traders @ ₹ 8,000/- each less trade discount 5%

15 Sold to M/s. Haryana Traders, 5 pieces of Juicers @ ₹ 3,500/- each less trade discount @ 10%

Question no.5

10 Marks

Transactions of Ramesh for April are given below. Journalise them.

2020			₹
April	1	Ramesh started business with	10,00,000
-	3	Bought goods for cash	50,000
-	5	Drew cash from bank	1,50,000
-	13	Sold to Krishna – goods on credit	2,25,000
-	20	Bought from shyam goods on credit	1,45,000
-	24	Received from Krishna	5,000
-		Allowed him discount	2,15,000
-	28	Paid Shyam cash	2,15,000
-		Discount allowed	10,000
-	30	Cash sales for the month	8,00,000
		Paid Rent	50,000
		Paid Salary	1,00,000

Question no.6

10Marks

Enter the following transaction in Cash Bank with Discount and Bank columns. Cheques are first treated as cash receipts –

2020		₹
March 1	Cash in Hand	15,000
	Overdraft in Bank	500
2	Cash Sales	3,000
3	Paid to Sushil Bros. by cheque	3,400
	Discount received	100
5	Sales through credit card	
6	Received cheque from Srijan	2,800
7	Endorsed Srijan's cheque from Srijan	6,200
9	Deposit into Bank	6,800
10	Received cheque from Aviral and deposited the same into Bank by allowing discount of ₹ 50	3,600
12	Adit informed that Srijan's cheque is dishonoured. Now cash is received from Srijan and amount is paid to Adit through own cheque	
15	Sales through Debit Card	3,200
24	Withdrawn from Bank	1,800
28	Paid to Sanchit by cheque	3,000

30	Bank charged 1% commission on sales through Debit/Credit Cards.	
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Question. No.7

10 Marks

According to the cash-book of Gopi, there was a balance of ₹ 44,50,000 in this bank on 30th June, 2019. On investigation you find that:

- (i) Cheques amounting to ₹ 6,00,000 issued to creditors have not been presented for payment till the date
- (ii) Cheques paid into bank amounting to ₹ 11,05,000 out of which cheques amounting to ₹5,50,000 only collected by the bank up
- (iii) A dividend of ₹ 40,000 and rent amounting to ₹ 6,00,000 received by the bank and entered in the pass-book but not recorded in the cash book.
- (iv) Insurance premium (up to 31st December, 2019) paid by the bank ₹ 27,000 not entered in the cash book.
- (v) The payment side of the cash book had been under casted by ₹ 5,000.
- (vi) Bank charges ₹ 1,500 shown in the pass book had not been entered in the cash book.
- (vii) A bill payable of ₹ 2,00,000 had been paid by the bank but was not entered in the cash book and bill receivable for ₹ 60,000 had been discounted with the bank at a cost of ₹ 1,000 which had also not been recorded in cash book.

Required:

- (a) To make the appropriate adjustments in the cash book, and
- (b) To prepare a statement reconciling it with the bank pass book.