



Index No.:.....

ACCOUNTANCY

(Three hour and quarter)

[The first ten minutes of the examination are for reading the question paper **only**.
Candidates must **NOT** start writing during this time.]

Answer **all** questions from Part I and seven questions from Part II.

The intended marks for questions or parts of questions are given in brackets [].

PART I

Question 1

Answer briefly **all** items (i) to (xv) in this question.

[15 x 2 =30]

- (i) Define Book Keeping.
- (ii) Give *two* characteristics of accounting.
- (iii) Distinguish between Book Keeping to Accounting.
- (iv) Classify the account rules under personal account, real account and nominal account.
- (v) Find the missing figures:

<i>Assets</i>	<i>Capital</i>	<i>Liabilities</i>
1,20,000	?	40,000
?	20,000	10,000
- (vi) How will you pass journal entry, if interest paid by bank for your deposit Nu.600?
- (vii) "Recording the transaction is based on journal". Justify.
- (viii) Mention *two* items of Fixed Assets and *two* items of Current Liabilities.
- (ix) Why cash book always shows debit balance?
- (x) Why marked as 'C' in L.F column in Two column cash book?
- (xi) Classify the following into Debtors and Creditors
 - a. Purchased goods from X Nu.500
 - b. Sold goods to y Nu.700.
- (xii) What is the need for sub-division of journal?
- (xiii) List down any four natures of cashbook.
- (xiv) How is Trade Discount different from cash Discount?
- (xv) On what principle (concept) prepaid expenses are entered into books of accounts?

PART II

Answer any seven questions.

Question 2

[10]

Post the following transactions Direct into Ledger of Chenchu and Balance them:

2015 April	1	Chenchu started business with cash Nu.2,00,000.
	4	Deposited into bank Nu.1,00,000.
	7	Purchased goods from Choden Nu.20,000.
	10	Sold goods to Yuden Nu.30,000.
	20	Yuden paid Nu.29,600.
	25	Drew from bank Nu.10,000
	28	Cash used by Proprietor Nu.1,000.

Question 3.**[10]*****Prepare Journal, Ledger and Trial Balance.***

2016 December	1	Passang started business with Cash Nu.2,50,000.
	3	Purchased goods from Yeshe Nu.25,000.
	5	Sold goods to Phuntsho Nu.1,00,000.
	7	Paid for Trade Expenses Nu.5,000.

Question 4.**[10]*****Enter the following transactions in Ngawang's Cash Book with Cash and Bank columns.***

2015 June	1	Cash in hand Nu.25,800. Bank Balance Nu.30,000.
	5	Sold goods to Khandu for Nu.30,000; cash discount allowed 1% and received cash for the balance.
	7	Tax paid Nu.2,000.
	10	Bought goods from Norbu for Nu.4,800; cash discount received 2% and paid cheque for the balance.
	15	Received repayment of loan from Rabten Nu.20,000.
	17	Paid into bank Nu.10,000.
	20	Paid Nu.2,800 to Jigme, half by cash and half by cheque.
	24	Dividend collected by bank Nu.4,000.
	27	Chimmi who is our customer directly paid into bank Nu.10,000.
	28	Drawn from bank Nu.1,200.

Question 5.**[10]*****Prepare a Trial Balance as on 31st December,2016 from the following Ledger balances of Tashi & co.***

<i>Particulars</i>	<i>Nu.</i>	<i>Particulars</i>	<i>Nu.</i>
Capital	18,000	Cash at bank	8,610
Opening Stock	2,720	Buildings	5,290
B/P	4,827	Commission (Cr)	1,017
Creditors	7,581	Insurance	119
Debtors	8,100	Postage	132
B/R	3,291	Salaries	1,400
Sales	12,439	Carriage	1,910
Purchases	10,492	Depreciation	600
Returns Inward	1,000		
Returns Outward	1,200		
Cash in hand	1,400		

Question 6.**[10]**

Pass the Journal Entries for the following information:

2009 October	1	Tshering started business with cash Nu.1,00,000
	3	Bought goods from Namgay Nu.5,000 for cash.
	7	Tashi purchased goods from us Nu.7,000
	8	Purchased Furniture from Lhawang Nu.10,000 by cheque.
	9	Cash used at home Nu.2,400
	10	Purchased pen, pencil, eraser for office use Nu.150
	11	Withdrew cash from bank for office use Nu.12,000.
	12	Commission received from Ngawang Nu2,500.
	29	Salary Paid Nu.6,000
	30	Rent Paid Nu.4,000

Question 7.**[10]**

Pass the Journal Entries for the following information:

2009 October	1	Nidup started business with cash Nu.1,00,000 and goods Nu.20,000.
	4	Bought goods from Wangdi Nu.15,000.
	13	Sold goods to Wangmo Nu.25,000.
	14	Returned goods to Wangdi Nu.1,000.
	15	Wangmo Returned goods Nu.2,000.
	16	Wangd
	17	i's account settled..
	18	Wangmo's account settled.
	30	Salary Paid to Dema Nu.6,000.
	30	Deposited into bank by Nidup Nu.24,000.
	31	Interest charged by bank Nu.400.

Question 8.**[10]**

Enter the following in Singye's simple column cash book and also show the balance.

2006 April	1	Balance of cash in hand Nu.15,000.
	8	Purchased goods for cash from Sonam for Nu.320.
	15	Sold goods for Nu.480 to Shearb.
	17	Paid into bank Nu.2,500.
	20	Received Commission Nu.65.
	20	Paid Commission Nu.55.
	22	Rent paid Nu.500.
	28	Paid to Sangay on account Nu.715.
	30	Paid salary to the office clerk Nu.100 and office rent Nu.60.

Question 9.**[10]**

Prepare a Two column cash book of Nordan from the following transactions.

1/4/2014	Opening balance	Cash Nu.1,00,000 Bank balance Nu.30,000(Cr)
3/4/2014	Purchased goods Nu.10,000; Half of the amount paid by cash and remaining by cheque.	
4/4/2014	Sold goods for cash Nu.5000 and paid half the amount into bank.	
6/4/2014	Paid wages by cheque Nu.8000	
9/4/2014	Purchased furniture for cash Nu.3000	
11/4/2014	Paid into bank Nu.3500	
15/4/2014	Cash received from Yangchen Nu.20,000.	
15/4/2014	Discount received by Yangchen Nu.2,000	
20/4/2014	Paid to Sonam Nu.2500.	
20/4/2014	Sonam allowed discount Nu.250.	
27/4/2014	Bank charges Nu.4500	
29/4/2014	withdrew from bank for office use Nu.5500	

Question 10.**[10]**

Prepare Journal and Ledger.

2016 April	1	Tshering started business with cash Nu.2,00,000 and Building Nu.1,00,000.
	7	Purchased goods from Choki Nu.30,000.
	10	Sold goods to Eden Nu50,000.
	20	Paid to Choki Nu.28,000.
	20	Discount allowed by Choki Nu.2,000.
	25	Cheque received from Eden Nu.45,000 in full settlement of her account and immediately banked.