

**SET - 2**  
**Sample Question Paper**  
**Restructured CSEET**  
**Fundamentals of Accounting**  
**Paper 2**

**Time allowed: 3 hours**

**Maximum Mark: 100**

**Note: Attempt: Q. No. 1 which is compulsory and any 5 (five) questions from Q. No. 2 to Q. No. 8.**

**Question 1:**

Following is the trial balance of Mr. Sahil as on 31<sup>st</sup> March, 2026:

<b>Particulars</b>	<b>Amount (Dr.)</b>	<b>Amount (Cr.)</b>
Capital Account		5,00,000
Drawing Account	50,000	
Stock (1.4.2025)	2,00,000	
Purchases	12,00,000	
Sales		13,00,000
Furniture	50,000	
Sundry Debtors	2,00,000	
Freight and Octroi	25,000	
Trade Expenses	5,000	
Salaries	55,000	
Wages	16,000	
Rent Paid	10,000	
Advertising Expenses	40,000	
Insurance Premium	5,000	
Commission		15,000
Telephone Expenses	5,000	
Electricity expenses of Office	10,000	
Interest Received		15,000
Discount	1,000	
Bad Debts	8,000	
Provision for Bad Debts		5,000
Creditors		2,00,000
Cash in hand	25,000	
Bank	30,000	
Land	1,00,000	
Total	20,35,000	20,35,000

Adjustments:

- (a) Rent paid of Rs. 10,000 includes Rs. 1,000 paid for next financial Year.
- (b) Interest yet to receive Rs. 1,000
- (c) Manager Commission Payable Rs. 25,000
- (d) Salaries have been paid only for 11 months.
- (e) Unexpired insurance included in the figure of Rs. 5,000 appearing in trial balance is Rs. 500.
- (f) Commission earned but not yet received amounting to Rs. 1,000 is to be recorded in books of account.
- (g) Provision for bad debts is to be brought upto 5% of sundry debtors.
- (h) Furniture is depreciated @10% per annum.
- (i) Stock on 31st March, 2026 was valued at Rs. 5,00,000.

Prepare trading and profit and loss account for the year ended 31st March, 2026 and balance sheet as on that date.

**[20 Marks]**

## Question 2

- a) Explain the types of Share Capital.
- b) On 30th June, 2026, the Bank Statement of XYZ showed a favourable balance of Rs. 5,00,000. However, this balance did not match the bank column of their Cash Book. A review of the Cash Book and the Bank Statement revealed the following points of difference:
1. A cheque deposit of Rs. 1,50,000 made on 29th June, 2026, was credited by the bank only on 1st July, 2026.
  2. As per a hire purchase agreement dated 30th March, 2026, the firm was required to pay Rs. 2,00,000 by bank order on the 10th of each month starting April 2026. No entry for these payments had been recorded in the Cash Book.
  3. On 12th June, a customer paid off an account of Rs. 1,92,000 after availing a Rs. 8,000 cash discounts. The cashier mistakenly recorded the full Rs. 2,00,000 in the bank column instead of the net amount.
  4. Bank charges of Rs. 10,000 had not yet been entered in the Cash Book.
  5. On 28th June, a customer directly deposited Rs. 4,00,000 into the company's bank account, but the entry was not made in the Cash Book.
  6. An amount of Rs. 10,000 deposited into the bank was entered twice in the Cash Book.
  7. A debit of Rs. 5,00,000 appeared in the Bank Statement for a cheque returned as "out of date." The customer later re-dated and redeposited the cheque on 5th July, 2026. This returned cheque has not been recorded in Cash book.

Prepare the Bank Reconciliation Statement for XYZ as on 30th June, 2026.

**[8 marks each]**

## Question 3

- a) A Club is of 100 members. Subscription per member is Rs. 2500 per annum. Rs. 218000 are received during the year 2025-26 which includes Rs. 20000 and Rs. 15000 subscriptions for the years 2024-25 and 2026-27 respectively. Calculate the amount of outstanding subscription at the end of the year 2025-26.
- b) Differentiate between Journal and Ledger.
- c) What is Trail Balance? Explain the objectives of Preparing Trail Balance.
- d) Explain briefly the "Valuation Principles in Accounting".

**[4 marks each]**

**Question 4:**

On 31st March, 2026 the following was the balance sheet of A and B who were carrying on business in partnership sharing profits and losses in the ratio of 5:3 respectively.

Liabilities	Amount Rs.	Assets	Amount Rs.
Sundry Creditors	21,800	Furniture and Fittings	30,000
Capital Accounts		Stock	96,000
A	90,000	Sundry Debtors	33,000
B	54,000	Bank	6,800
Total	1,65,800		1,65,800

On 1st April, 2026 C is admitted to the firm as a new partner, the new profit-sharing ratio among A, B and C is agreed upon as 7:5:4 respectively. C brings in Rs. 48,000 as his capital. C's share of goodwill is fixed at Rs. 10,000. Show journal entries and balance sheet immediately after C's admission in each of the following cases:

- C brings cash for his shares of goodwill and the old partners withdraw half of the amounts credited to their accounts for goodwill brought by C.
- C does not bring anything by way of his share of goodwill.
- C brings Rs. 6,000 as his share of goodwill and an adjustment in capital accounts is made for the balance sheet.

**[16 Marks]****Question 5:**

Pass the Adjustment Journal Entries in the following Cases:

- Bad Debts of Rs. 5,000
- Provision for discount on Debtors Rs. 1,000
- Goods Distributed as Free Samples Rs. 1,000
- Drawing of Goods by the proprietor for personal use Rs. 5,00
- Goods are sold to customer on approval basis Rs. 5,000. Approval not received till closing of books of accounts.
- Goods received but not recorded in the books Rs. 10,000
- Manager's Commission payable Rs. 1,000
- Interest on Drawings Rs. 5,00

**[2x8=16 Marks]****Question 6:**

Following is the Receipt and Payment Account of RWA of Society for the year ending March 31, 2026

Receipt and Payment Account for the year ending March 31, 2026

Receipts	Amount (Rs.)	Payments	Amount (Rs.)
Balance b/d		Salaries	30,000
Cash 10,000		Electricity	25,000
Bank 50,000	60,000	Restaurant expenses	25,000
Member's subscriptions:		Telephone	5,000
2024-2025 10,000		Subscription for periodicals	5,000
2025-2026 50,000		Printing and stationery	15,000
2026-2027 5,000	65,000	Sports expenses	50,000
Sale in restaurant	50,000	Secretary's honorarium	20,000
Sale of old periodicals and newspapers	5,000	Invest. In 8% Securities (31.3.26)	50,000

Hire of ground used for marriage	40,000	Balance c/d:	
Donation for sports fund	20,000	Cash 10,000	
Locker Rent	15,000	Bank 20,000	30,000
Total	2,55,000	Total	2,55,000

### Additional Information

- The club had 100 members, each paying an annual subscription of Rs. 500. Subscription outstanding as on 31 March 2026 Rs. 20,000.
- Telephone bill outstanding for the year 2025-26 is Rs. 2,000.
- Locker Rent Rs. 4000 outstanding for the year 2024-25 and Rs.2000 for 2025-26.
- Salary outstanding for the year 2025-26 Rs. 5,000.
- Opening Stock of Printing and stationery Rs. 2,000 and closing stock of printing and stationery is Rs. 3,000 for the year 2025-26.

- On 1st April 2025 other balances were as under:

	Rs.
Furniture	1,00,000
Building	2,00,000
Sports fund	20,000

- Depreciation to be charged on Furniture and Building @ 10% and 5% respectively. Prepare Income and Expenditure account for the year ended 31st March, 2026

Prepare Income and Expenditure Account.

**[16 Marks]**

### Question 7:

- Mr. A acquired a machinery on 1st July 2022 at a cost of Rs. 90,000 and spent Rs. 10,000 for its installation. The machinery is used for the purpose of Mr. A Business. Mr. A writes off depreciation at 10% per annum on WDV (diminishing balance method) every year. The books are closed on 31st March every year. Show Machinery Account and Depreciation Account for three years.
- What is Depreciable Assets? Explain with Examples.

**[8 Marks each]**

### Question 8

- What is "under subscription" of shares and "over subscription" of shares?
- What are the Qualitative Characteristics of Financial Statement?
- What is the difference between "Partnership" and "Joint Ventures"?
- An institution received Rs. 90,000 as rent during the year 2025-26 which includes Rs. 18,000 received in advance for the year 2026-27. Outstanding rent at the end of the years 2024-25 and 2025-26 were Rs. 12,000 and Rs. 14,000 respectively. What will be the amount of rent to be shown in Income and Expenditure Account for the year 2025-26?

**[4 Marks Each]**