

Accountancy

Class 11

Time 3 hrs.

M. M. 80

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| 1 | What are the two bases of accounting ? | 1 |
| 2 | Distinguish between Debit note and Credit note. | 1 |
| 3 | A is sent to a supplier when we return goods.
(a) Debit Note (b) Credit Note
(c) Performa Invoice (d) None of these | 1 |
| 4 | Closing Stock appearing in the Trial Balance is shown :
(a) On the Dr. side of Trading A/c
(b) On the Cr. Side of Trading A/c
(c) On the Assets side of Balance sheet
(d) On the Cr. Side of Trading A/c and on the Assets side of Balance Sheet | 1 |
| 5 | What is meant by Marshaling of Assets and Liabilities ? | 1 |
| 6 | Distinguish between Reserve and Provision. | 1 |
| 7 | Reserve created by under valuation of closing stock is called :
(a) Secret Reserve (b) General Reserve
(c) Specific Reserve (d) Capital Reserve | 1 |
| 8 | Provision of the year in which it is created :
(a) Increases the profit (b) Decreases the profit
(c) Does not affect the profit (d) May increases or decrease the profit | 1 |
| 9 | Paid to Rahul on behalf of Sanjay Rs. 12,000 will be debited to :
(a) Rahul's personal Account (b) Sanjay's Account
(c) Drawings account (d) Cash Account | 1 |
| 10 | Journal Records the transactions of a firm in a :
(a) Periodical Manner (b) Chronological Order
(c) Summarized Manner (d) Systematic Order | 1 |

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- 11 Rent paid to Landlord should be debited to : 1
 (a) Drawings Accounts (b) Landlord Account
 (c) Rent Account (d) Personal Account
- 12 Where will you transfer profit on sale of a fixed asset ? 1
- 13 Journal entry for stock left unsold at the end of the year is : 1
 (a) Dr. Closing Stock A/c and Cr. Trading A/c
 (b) Dr. Trading A/c and Cr. Closing Stock A/c
 (c) Dr. Profit & Loss A/c and Cr. Closing Stock A/c
 (d) Dr. Closing Stock A/c and Cr. Profit & Loss A/c
- 14 Which of the following is not an input device ? 1
 (a) Scanner (b) Keyboard
 (c) Monitor (d) None of these
- 15 Indicate how Accounting Equation is affected if payment is made to a creditor ? 1
- 16 Name and explain the accounting concept under which it becomes necessary for business concerns to take their unsold stock at the end of the year to the next year. 1
- 17 If total assets of a business are Rs. 10,00,000 and capital is Rs. 4,00,000, calculate creditors. 1
- 18 Which of the following is not a qualitative characteristics of accounting information ? 1
 (a) Reliability (b) Understandability
 (c) Comparability (d) Materiality
- 19 Current liabilities do not include 1
 (a) Sundry creditors (b) Bills Payable
 (c) Outstanding salaries (d) Prepaid insurance
- 20 A person to whom money is owed by the firm is called : 1
 (a) Debtor (b) Creditor (c) Customer (d) None of these

- 21 Journalise the following transactions : 3
- (i) Bought goods from Arun for Rs. 2,00,000 at a trade discount of 15% and cash discount of 2%. Paid 80% amount immediately.
- (ii) Out of insurance paid this year, Rs. 3,000 is related to next year.
- (iii) Sohan who owed us Rs. 25,000 was declared insolvent and a cheque of 40 paise in a Rupee is received from him in full settlement.

- 22 Explain briefly three advantages of Accounting. 3

Or

Explain briefly three users of Accounting.

- 23 Explain briefly any four Capabilities of a computer system. 4

- 24 Capital is a liability for the business. Explain this statement with the principle applied. 4

Or

Under which concept if advance is received against sale of goods, the advance received is recorded as 'Advance against sale' and not sales? Name and explain the concept.

- 25 From the following particulars prepare bank reconciliation statement as on 31st March, 2015 : 4

- (a) Debit balance as per cash book Rs. 1,500.
- (b) A cheque for Rs. 2,000 issued in favour of X has not been presented for payment.
- (c) A bill for Rs. 4,000 retired by bank under a rebate of Rs. 120. The full amount of the bill was credited in cash book.
- (d) A cheque for Rs. 750 deposited in bank has been dishonoured.
- (e) A sum of Rs. 3,600 deposited in the bank has been credited as Rs. 360 in the pass book.
- (f) Payment side of cash book has been undercast by Rs. 100.

- 26 Enter the following transactions in a cash book with cash and bank columns :

2018		Rs.
Jan. 1	Bank overdraft	12,000
	Cash-in-hand	2,300
Jan. 5	Purchased goods for Rs. 40,000, Trade Discount 15%, IGST 12%, Payment made by cheque	
Jan. 6	Sold goods for Rs. 30,000, Trade Discount 10% IGST 12%, Payment received by cheque	
Jan. 7	Cheque received from S. Nair	4,000
	Discount allowed	200
Jan. 9	Cheque received from S. Nair deposited in bank	
Jan. 12	Cheque paid to Radha and Discount received	2,500 50
Jan. 15	S. Nair's cheque dishonoured	
Jan. 20	Money withdrawn from bank for office use	3,400
Jan. 23	Fees of children paid by cheque	75
Jan. 25	Cheque received from Hira and endorsed it to Sunita on 27th Jan.	4,500
Jan. 27	Bank Charges	20
Jan. 31	Paid into Bank the entire balance after retaining Rs. 700 at office	

- 27 Ram started a business with a capital of Rs. 4,00,000. At the end of the year his total assets were Rs. 10,00,000 and external liabilities were for Rs. 4,50,000. He further informs you that during the year he withdrew Rs. 50,000 for household use. During the year he sold his personal investments of Rs. 50,000 at 20% profit and brought that money into the business as additional capital. You are required to prepare a statement of Profit or Loss under accounts from incomplete records method.

Or

Aditya a retailer has not maintained proper books of account but it has been possible to obtain the following details :

	Last Year (Rs.)	This Year (Rs.)
Trade Creditors	6270	5890
Loan from Naresh	5000	5000
Stock	12350	11980
Cash in Hand	570	650
Shop Fittings	7250	7800
Trade Debtors	5280	4560
Bank Balance	3990	4130

Calculate the net profit for this year and draft the statement of affairs at the end of the year after noting that :

- (b) Shop Fittings are to be depreciated by Rs. 780
(c) Aditya has drawn Rs. 100 per week for his own use
(d) Included in the Trade Debtors is an irrecoverable balance of Rs. 270.
(e) Interest at 5% p.a. is due on the loan from Naresh but has not been paid for the year.

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Following is the extract from the Trial Balance of a firm as at 31st March, 2020 : 6

Heads of Accounts	L.F.	Dr. (Rs.)	Cr. (Rs.)
Sundry Debtors		4,10,000
Provision for Doubtful Debts		20,000
Bad Debts		6,000

Additional Information :

- (i) Additional bad debts for Rs. 10,000.

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- (ii) Maintain the Provision for Doubtful Debts @ 10% on sundry debtors. Pass necessary Journal entries and show Bad Debts Account and Provisions for Doubtful Debts Account. 3
- 29 A company purchased a machinery for Rs. 50,000 on 1st Oct., 2016. Another machinery costing Rs. 10,000 was purchased on 1st Dec. 2017. On 31st March 2019, the machinery purchased in 2016 was sold at a loss of Rs. 5,000. The company charges depreciation at the rate of 15% p.a. on diminishing balance method. Accounts are closed on 31st March every year. Prepare Machinery account for 3 years. 6
- 30 Pass the Journal entries to rectify the following errors : 6
- (i) Purchases Book is undercast by Rs. 1,000.
 - (ii) Wages paid for construction of office debited to Wages Account Rs. 20,000.
 - (iii) A credit sale of goods Rs. 1,200 to Ramesh has been wrongly passed through the Purchases Book.
 - (iv) Goods purchased for Rs. 5,000 were posted as Rs. 500 to the Purchases Account.
 - (v) An item of Rs. 500 relating to Prepaid Insurance Account was omitted to be brought forward from the previous year's books.
 - (vi) Sales Book was overcasted by Rs. 200.
- 31 From the following Trial Balance, extracted from the books of Raga Ltd., prepare a profit and loss account for the year ended 31st March, 2019 and a Balance sheet as at that date : 8

Debit balances	Rs.	Credit balances	Rs.
Drawings account	20,000	Sales	2,20,000
Land and building	12,000	Capital	1,01,110
Plant and machinery	40,000	Discount	1,260
Carriage Inward	100	Commission	5,230
Wages	500	Bills Payable	1,28,870
Salary	2,000	Purchase Return	10,000
Sales Return	200		
Bank Charges	200		
Coal gas and water	1,200		
Purchases	1,50,000		
Trade Expenses	3,800		
Stock (opening)	76,800		
Cash at Bank	50,000		
Rates and Taxes	870		
Bills Receivable	24,500		
Sundry Debtors	54,300		
Cash in hand	30,000		
	4,66,470		4,66,470

The additional information are as under :

- (i) Closing stock was valued at the end of the year at Rs. 20,000.
- (ii) Depreciation on Plant and Machinery charged at 5% and on Land and Building at 10%.
- (iii) Make a provision for discount on debtors at 3%.
- (iv) Make a provision at 5% on debtors for Bad-debts.
- (v) Salary outstanding was Rs. 100 and Wages prepaid were Rs. 40.
- (vi) The manager is entitled to a commission of 5% on Net Profit after charging such commission.

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32 Anupam draws a bill on Bhanu for Rs. 20,000 on 10th January, 2019 for three months. Bhanu accepts the bill on 11th January, 2019 and returns the same to Anupam. Anupam endorsed the bill to Chaman and Chaman endorsed it to Dewan on the same date. Dewan discounted the bill with his bank @ 12% p.a. on 14th February. On the due date, the bill is dishonoured and noting charges paid by bank were Rs. 600. Pass the necessary Journal entries in the books of all the parties (except bank) assuming that the bill is taken up and paid by Anupam to Dewan's bank on dishonour. 8

Or

On Jan. 15, 2017, Kusum sold goods for Rs. 30,000 to Pushpa and drew upon her three bills of exchanges of Rs. 10,000 each payable after one month, two months and three months respectively. The first bill was retained by Kusum till its maturity. The second bill was endorsed by her in favour of her creditor Khushboo and the third bill was discounted by her immediately @6% p.a. All the bills were met by Pushpa. Journalise the above transactions in the books of Kusum and Pushpa.