



INDIAN SCHOOL SOHAR
FINAL EXAMINATION
ACCOUNTANCY

Date: 23-02-2016
Class: XI

Total no of pages. 6
Max Marks:90
Time: 3 hours

General Instructions:

1. All questions are compulsory
2. Show your workings notes wherever necessary
3. All parts of question should be attempted at one place.

- | | |
|--|---|
| 1. What is owner's equity? | 1 |
| 2. Depreciation is cash expenditure like other normal expense. Comment | 1 |
| 3. What is Deficit? | 1 |
| 4. What is meant by posting? | 1 |
| 5. Give two examples of current assets. | 1 |
| 6. What is the meant by dishonour of a bill of exchange? | 1 |

7. Prepare the purchases Returns and Sales Returns Book of Guptha Brothers from the following transactions: 3

2012 March 7	Returned to Arora & Co Delhi being not according to Samples 1 table for Rs.6000 Less 10% discount
March 10	Subhash Furniture Co, Faridabad returned to us: 2 Broken Almirahs @ Rs.2000 each Less 15% discount
March 20	Returned to Chand & Co, New Delhi, the goods are being damaged in Transit 5 Chairs of Rs.450 each, Less 12% discount
March 25	Ravi Saxena Jaipur returned to us the following being not of specified quality 1 dining table of Rs.6,000, 6 Chairs of Rs.600 each, less 15% discount

8. Subscriptions received during the year ended 31st December 2009 are:

For 2008	400}	
For 2009	21,100}	22,300
For 2010	800}	

There are 450 members each paying an annual subscription of Rs.50. Rs.450 was in arrears for 2008. Calculate the subscriptions to be shown in Income and expenditure account and the balance sheet as on 31st Dec 2009. 3

9. List out the disadvantages of computerized system of accounting. 3

10. A trader took a loan of Rs.5,00,000 at 18% p.a. on October 1, 2010. He paid an interest of Rs.30,000 during the year. On March 31st 2011, how it is to be presented in the profit and loss account and the balance sheet. 3

11. From the following information find out the amount of materials consumed to be shown in income and expenditure account: 3

Stock of Sport materials on 1.4.2007	3,000
Amount paid for sports materials purchased during 2007-08	20,000
Stock of sports materials on 31.3.2008	4,800

12. A machine was purchased on 1st April 2003 for Rs.35,000. On 1st October 2005, the machine was sold for Rs.25,000. Prepare machine account after charging depreciation @ 10% p.a. by straight line method, assuming that the books are closed on 31st March every year. Prepare the machine account. 3
13. On 1st July, 2011, A draws on B who owned him Rs.25,000 two bills one for Rs.15,000 for three months and another for Rs.10,000 for two months. B accepts these bills. A endorsed on 3rd July the first bill to C and discounted the second bill on 4th July with his bankers @ 12% p.a. The first bill is duly paid at maturity but the second bill is dishonoured and Rs.150 paid as noting charges. On 5th September A draws and B accepts a third bill for three months for Rs.10,450 in lieu of dishonoured bill. The bill is duly paid at maturity. Give journal entries in the books A (Drawer). 4
14. Give journal entries to the following transactions:
 (i) Provide 10% depreciation on furniture costing Rs.50,000
 (ii) Charge interest on drawings Rs.1,000.
 (iii) Paid to Sita Rs.9,800 in full settlement of her dues Rs.10,000.
 (iv) Goods given for charity Rs.1,250. 4
15. From the following information supplied by Rehman, prepare his bank reconciliation statement as on 31st Jan 2014.
- | | |
|--|--------|
| Balance as per cash book | 8,500 |
| Cheque issued but not yet presented for payment | 12,770 |
| Cheque deposited with the bank but not collected as yet | 28,290 |
| Payment received from customer directly by the bank | 2,950 |
| Bank charges debited in the pass book | 230 |
| A bill of Rs.3,500 (discounted earlier) dishonoured on Jan 31 st and noting charges Rs.80 paid by the bank. | 4 |
16. Identify the **accounting concepts** from the following information:
 (a) According to which concept depreciation is to be charged as per one particular method year after year?
 (b) Under which principle the calibre or quality of management is not disclosed in the balance sheet?
 (c) Under which principle the entire life of the business enterprises is divided into time intervals?
 (d) Under which principle proprietor of the business is treated as creditor to the extent of his capital? 4
17. Pass Journal entries to rectify the following Errors with the help of suspense account: 4
- (a) Rs.350 paid in cash for a typewriter was charged to office expenses account
 - (b) Goods amounting to Rs.660 sold to W, were correctly entered in the sales book but posted to W's account as Rs.760.
 - (c) Goods worth Rs.130 returned by G were entered in the sales book and posted there from to the credit of G's personal account.
 - (d) Goods sold for Rs.1240 and debited on 20th March to C were returned by him on 23rd and taken into stock on 31st March no entries being made in the books for return
 - (e) Sales return book was overcast by Rs.100.

18. Ashoka Ltd bought a machine on 1st April 2010 for Rs.2,40,000 and spent Rs.4,000 on its carriage and Rs.6,000 towards installation cost. On 1st July,2011 it purchased a second hand machinery for Rs.1,00,000.On 1st January 2013 it decided to sell the machinery bought on 1st April,2010 at Rs.1,20,000. It bought another machine on the same date for Rs.40,000. Company decided to charge depreciation @ 15% p.a. on written down value method. Prepare machinery for 3 years. Books are closed each year on 31st March. 6

19. Prepare the accounting equation and the balance sheet from the following transactions:

- (a)Harish started business with cash Rs.1,80,000, bank Rs.50,000
- (b)Purchased goods for cash Rs.60,000 and on credit Rs.30,000
- (c) Sold goods for cash Rs.40,000, costing Rs.24,000.
- (d)Rent paid Rs.5000.
- (e)Sold goods for credit Rs.35,000, costing Rs.30,000.
- (f) Salary outstanding Rs.12,000.
- (g)Withdrawal of cash Rs.1000, goods Rs.2,000 for personal use.

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20. On 31st January 2010, the pass book of Shri M.L Guptha shows a debit balance (O/D) of Rs.41,000. Prepare a bank reconciliation statement from the following particulars:-

- a) Cheques amounting to Rs.15,600 were deposited on27th January,2010. Out of which cheques for Rs.11,000 were encashed up to 31-1-2010.
- b) A wrong debit of Rs.800 has been given by the bank in the pass book.
- c) A cheque for Rs.200 was credited in the pass book but was not recorded in the cash book.
- d) Cheques amounting to Rs.21,000 were deposited for collection. But out of these, cheques for Rs.7,400 have been credited in the pass book on 5th February,2010.
- e) A cheque for Rs.1,000 was returned dishonoured by the bank and was debited in the pas book only.
- f) Interest on bank deposits amounting to Rs.2,000 were not entered in the cash book
- g) A cheque of Rs.500 debited in the cash book omitted to be banked.
- h) Cheque issued but not presented for payment Rs.5,000.

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21. From the following transactions prepare a three column Cash book with cash, bank and discount column of Ganga Ram. 6

Date	Particulars
Jan1	Cash in Hand Rs.1,800 and at bank Rs.11,000
Jan5	Received a cheque Rs.1,500 for commission. Cheque was immediately deposited into the bank.
Jan 8	Bought goods for cash Rs.500
Jan 10	Purchased typewriter and payment made by cheque Rs.5,000
Jan14	Paid trade expenses Rs.105
Jan16	Paid into bank Rs.1,000
Jan 20	Received Rs.400 from Manohar and allowed him discount Rs.10
Jan 23	With drew from bank Rs.500
Jan 23	Paid Rs.300 to G.Dass & Co.They allowed us discount Rs.10
Jan24	Received Rs.2000 from hari ram and deposited the same into bank
Jan 25	With drew from bank for personal expenses Rs.300
Jan27	Sold goods for cash Rs.200
Jan 28	Received cheque for goods sold Rs.9,000 and deposited into the bank.
Jan29	Received repayment of a loan Rs.5,000 and out of it Rs.3,000 deposited into bank
Jan 30	Bank charges as per pass Book Rs.50.

22. Arun Electronics does not keep proper records. From the following information find out profit for the year ended 31st December 2015.

Particulars	1 st Jan 2015	31 st Dec 2015
Cash	6,000	24,000
Bank overdraft	30,000	-----
Stock	50,000	80,000
Sundry creditors	26,000	40,000
Sundry debtors	60,000	1,40,000
Bills payable	6,000	12,000
Furniture	40,000	60,000
Bills receivable	8,000	28,000
Machinery	50,000	1,00,000
Investments	30,000	80,000

Drawing Rs.10,000 per month for personal use. Fresh capital introduced during the year Rs.2,00,000. A bad debts of Rs.2,000 and a provision of 5% is to be made on debtors. Outstanding salary 2,400, Prepaid insurance Rs.700. Depreciation charged on furniture and Machine @ 10%. 6

23. From the following particulars relating to Rama Krishna Mission Charitable hospital, Prepare income and expenditure account for the year ended 31st March 2013 and a balance sheet as at that date.

RECEIPTS AND PAYMENTS ACCOUNT for the year ended 31st March 2013.

Receipts	Amount	Payments	Amount
To Cash in hand	7,130	By Medicines purchased	30,590
To Subscription	47,996	By Doctor's Honorarium	9,000
To Donations	14,500	By salaries	27,500
To interest on investments	7,000	By petty expenses	461
To proceeds from charity show	10,450	By equipment	15,000
		By expenses on charity show	750
		By cash in hand 31.3.2013	3,775
Total	87,076	Total	87,076

Additional information:	1.4.2012	31.3.2013
Subscription due	240	280
Subscription received in advance	64	100
Stock of medicines	8,810	9,740
Equipment	21,200	31,600
Building (cost less depreciation)	40,000	38,000
Investments	1,00,000	1,00,000

(OR)

Following is the Receipts and payments account of Cricket club prepare the **income and expenditure account** for the year ended 31st March 2010, and **Balance sheet** at that date.

RECEIPTS AND PAYMENTS ACCOUNT for the year ended 31st March 2010.

RECEIPTS	Amount	PAYMENTS	Amount
To balance b/d		By Maintenance	6,820
Cash	3,520	By repairs	2,650
Bank	27,380	By match expenses	13,240
Fixed deposit @ 6%	30,000	By salaries	11,000
To subscription(including 6000 for 2008-09)	40,000	By conveyance	820
To entrance fees	2,750	By upkeep of lawns	4,240
To donation	5,010	By postage and stationery	1,050
To interest on fixed deposits	900	By purchase of cricket goods	9,720
To tournament fund	20,000	By sundry expenses	2,000
To sale of newspapers	2,000	By Investments	5,700
		By tournament expenses	18,800
		By Balance c/d	
		Cash	2,200
		Bank balance	23,320
		Fixed deposits	30,000
Total	1,31,560	Total	1,31,560

Additional information:

- Salary outstanding is Rs.1,000
- Opening balance of stock of postage and stationery and cricket goods is Rs.750 and Rs.3210 respectively. Closing stock of the same is Rs.900 and Rs.2,800 respectively.
- Outstanding subscriptions for 2008-09 and 2009-10 are Rs.6600 and Rs.8000 respectively.
- Donations and entrances fees are not to be capitalized.

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24. The following balances were taken from the books of Modern Traders on 31st March 2011.

Debit	Amount	Credit	Amount
Discount allowed	6,500	Discount received	3,700
Bad debts	2,500	Returns outwards	5,500
Factory lighting and heating	800	Provision for doubtful debts	2,500
Rent	6,000	Sundry creditors	52,000
Drawings	7,000	Bills payables	5,600
Returns outwards	7,200	Sales	4,80,000
Purchases	2,13,500	Capital	30,700
Wages –Factory	1,50,000		
Office expenses	14,000		
Cash at bank	6,500		
Cash in hand	400		
Sundry debtors	45,700		
General expenses	1,000		
Advertising	5,650		
Insurance	300		
Telephone	350		
Motor van	12,000		
Stock	48,000		
Plant and machinery	50,000		
Office furniture	2,600		
Total	5,80,000	Total	5,80,000

Prepare the trading, profit and loss account and the balance sheet after taken into consideration of the additional information given below:

1. Closing stock is Rs.62,000
2. Rent Due Rs.1,200.
3. Advance insurance Rs.200.
4. Depreciation on plant and machinery @ 10%, Furniture 5% and Motor Vans 5%.
5. Write off further bad debts Rs.700, Create Provision for doubtful debts @ 5%.
6. The manager is entitled a commission of 10% on net profit after charging such commission.

(OR)

The following is the trial balance of Rahul for the year ended 31-3-2014.

Debit	Amount	Credit	Amount
Stock	50,000	Sales	1,80,000
Wages	3,000	Purchases return	2,000
Salary	8,000	Discount received	500
Purchases	1,75,000	Provision for bad debts	2,500
Sales return	3,000	Capital	3,00,000
Sundry debtors	82,000	Bills payable	22,000
Discount allowed	1,000	Commission received	4,000
Insurance	3,200	Rent	6,000
Rent, rates and taxes	4,300	Loan	34,800
Fixtures and fittings	20,000		
Trade expenses	1,500		
Bad debts	2,000		
Drawings	32,000		
Repair renewals	1,600		
Travelling expenses	4,200		
Postage	300		
Telegram expenses	200		
Legal fees	500		
Bills receivable	50,000		
Building	1,10,000		
Total	5,51,800	Total	5,51,800

You are required to prepare Rahul's Trading and Profit and Loss account for the year ended 31.3.2014 and his Balance sheet of as at that date of after taking into account the following Adjustments:

1. Closing stock was Rs.32,000
2. Commission received in advance Rs.1,000.
3. Salary outstanding Rs.1,000 and insurance prepaid Rs.800.
4. Depreciation on building @ 6% p.a.
5. A fire occurred on 25th March 2014 in the godown and stock of the value of Rs.50,000 was destroyed. It was insured and the insurance company admitted the claim in of Rs.25,000.

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