



**INDIAN SCHOOL SOHAR**  
**FINAL EXAMINATION**  
**ACCOUNTANCY**

**Date: 26.02.2017**  
**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.

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1. Mention the full form of GAAP. **1**
  2. What is amortization? **1**
  3. When is capital account debited? **1**
  4. Under which accounting concept the provision for doubtful debts are provided? **1**
  5. Give two examples of intangible assets. **1**
  6. Name the branch of commerce which keeps a record of monetary transactions in a set of books. **1**

7. Compute the amount to be shown in income and expenditure account and post the following information in the financial statement of hospital. **3**

	1.4.2011	31.3.2012
Amount due to suppliers of medicine	4,50,000	5,00,000
Advance to suppliers of medicine	2,00,000	2,90,000
Stock of medicine	11,00,000	12,50,000

Medicines purchased during the year 2011-12 were Rs.8,00,000

8. Y started a business on 1<sup>st</sup> April 2013 with a capital of Rs.2,00,000 and a loan of Rs.75,000 from the bank. During the year, he had introduced additional capital of Rs.60,000 and had withdrawn Rs.36,000 for personal purposes. On march 31<sup>st</sup> 2014 his assets were Rs.3,80,000. Find out his capital as on 31<sup>st</sup> March,2014 and profit earned during the year 2013-14. **3**

9. Distinguish between manual and computerized accounting. **3**

10. State with reasons whether the following are capital or revenue expenditure.  
(a)Rs.6,000 paid for annual insurance premium  
(b)Rs.40,000 was spent on painting the new factory.  
(c)Rs.50,000 were spent for air-conditioning of the office. **3**

11. From the following information calculate the amount of subscription to be debited to the income and expenditure account for the year 2007-08. **3**

Subscription received during the year	50,000
Subscriptions outstanding on 31 <sup>st</sup> March,2007	20,000
Subscriptions outstanding on 31 <sup>st</sup> March 2008	6,000
Subscriptions received in advance on 31.3.2007	8,000
Subscriptions received in advance on 31.3.2008	9,000

12. Show the treatment of the following items in the profit and loss account and balance sheet.

Name of the account	debit	Credit
Debtors	40,300	-----
Provision for doubtful debts	-----	2,000
Bad debts	700	-----

Adjustments:

a) There was further bad debts of Rs.300

b) Make a provision for doubtful debts @ 5% and create a discount on debtors @ 2%. **3**

13. Distinguish between straight line method and written down value method of depreciation. **4**

14. Give journal entries to the following transactions:

(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) Cash Rs.500 and goods worth Rs.2,000 were stolen by employee.

(iii) Paid Rs.25,000 in cash as wages on installation of machinery.

(iv) Purchased goods from Pawan Ltd for Rs.2,00,000 plus VAT @ 12%. **4**

15. From the following transactions prepare the ledger accounts of Jagadish, Mahesh.

Sep 2	Cash withdrawn from the bank	2,50,000	
Sep 4	Sold goods to Jagadish	32,000	
Sep 8	Goods returned by Jagadish	2,000	
Sep 10	Cheque received from Jagadish for full settlement	28,000	
Sep 12	Purchased goods from Mahesh	25,000	
Sep 15	10% of the purchased goods returned to Mahesh	?	
Sep 19	Cash paid to Mahesh	10,000	
Sep 25	Salary paid to Ramesh	25,000	
Sep 29	Dividend received	10,000	<b>4</b>

16. While comparing the cash book of Mayank with the bank pass book on September, 2009 you find the following:

(i) The bank pass book showed a debit balance of Rs.15,000.

(ii) Bank paid insurance premium Rs.2,000 but it was recorded as Rs.200 only in cash book.

(iii) Cheques issued in favour of suppliers in September 2009 amounted to Rs.55,000, but cheques for Rs.50,000 only were presented for payment upto 30<sup>th</sup> September 2009.

(iv) Direct deposit of Rs.10,000 in Mayank's bank account by a customer on 25<sup>th</sup> September, 2009 had not been recorded in the cash book.

(v) Dividend collected by bank, but not recorded in cash book Rs.1,000.

(vi) Bank charged Rs.300 for its services, but they were yet to be recorded in the cash book.

(vii) Cheques amounting to Rs.78,000 were deposited with bank in the last week of September 2009 but cheques for Rs.51,000 only had been cleared before 1<sup>st</sup> October 2009.

Prepare the bank reconciliation statement to find out the balance as per cash book. **4**

17. A sells goods for Rs.8,000 to B on 1<sup>st</sup> Jan, 2004 and on the same date draws a bill for 3 months on the latter for the amount. B accepts it and returns it to A, who discounts it with his banker for Rs.7850. On the due date the bill is dishonored. Noting charges of Rs.150 were paid by the bank. B then pays Rs.3,000 in cash and accepts a new bill at three months for Rs.5,350. Before maturity, B became insolvent and a final dividend of 50 paise in a rupee was received. Give journal entries to record these transactions in the books of A and B. **4**

18. Prepare an accounting equation with the help of following transactions and prepare the balance sheet.

(i) Started business with cash Rs.1,00,000, Goods Rs.25,000, Bank balance Rs.40,000.

(ii) Sold goods (costing 15,000) for 18,000 out of which Rs.5,000 received in cash

- (iii) Purchased goods on credit from Sasi Rs.1,00,000.
- (iv) Goods returned to Sasi Rs.20,000.
- (v) Accrued interest Rs.5,000
- (vi) Commission received in advance Rs.20,000
- (vii) Invested in shares (personal) Rs.50,000
- (viii) Rent outstanding Rs.2,000.

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19. In taking out a trial balance, an accountant finds an excess debit of Rs.1,098. Being desirous of closing his books, he places the difference to suspense account. Later on detects the following errors.

- (a) Goods purchased from Surinder for Rs.350 has been credited to his account as Rs.530.
- (b) Goods sold to Dinesh for Rs.800 have been debited to his account as Rs.880.
- (c) A cheque of Rs.1,250 received from a debtor had been correctly entered in the cash book but posted to his personal account as Rs.1,200.
- (d) Rs.780 paid for freight on machinery purchased was debited to Freight account as Rs.708.
- (e) Goods to the value of Rs.130 returned by a customer Navin kumar had been posted to the debit of his account.
- (f) Rs.1,440 paid for repairs to motor car were debited to Motor car account as Rs.1,400.
- (g) Rs.500 being purchase return were posted to the debit of purchase A/C.

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20. X Ltd which closes its books of account every year on 31<sup>st</sup> March, purchased on 1<sup>st</sup> October, 2011 machinery costing Rs.4,40,000. It purchased further machinery on 1<sup>st</sup> April, 2012 costing Rs.5,20,000. On 30<sup>th</sup> June, 2013, the first machine was sold for Rs.2,50,000 and on the same date a fresh machine was installed at a cost of Rs.3,00,000. On 1<sup>st</sup> July, 2014, the second machine purchased on 1<sup>st</sup> April, 2012 was also sold for Rs.3,25,000.

The company writes off depreciation at 10% p.a on the straight line method each year. Show the machinery account and provision for depreciation account for all the four years.

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

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Date	Particulars
Apr 1	Cash in hand Rs.8,800 and Cash at bank Rs.11,000
Apr 3	Purchased goods from M/S Agarwal and paid by cheque Rs.1,400
Apr 9	Cash purchases Rs.1,600 less trade discount 5%
Apr 10	Purchased postage and stamps Rs.100
Apr 12	Proceeds of cash sales of Rs.10,000 deposited into bank
Apr 14	Drew cash for personal use Rs.820
Apr 15	Received from Naresh cash Rs.600 and cheque Rs.1,000 both deposited into bank allowed Rs.100 as cash discount.
Apr 15	Withdrew from bank for office use Rs.1,600
Apr 16	Paid wages Rs.600 and rent Rs.1,000
Apr 19	Paid M/S Mohan & Co by cheque Rs.4,800 cash discount allowed by him Rs.200
Apr 23	Received a cheque from Subash for sale of old goods Rs.1,600
Apr 25	Paid to M/s Agarwal cash Rs.1,500 and Rs.720 by a cheque received cash discount Rs.50
Apr 26	Manish a customer deposited into bank Rs.1,200
Apr 29	Withdrew from bank for personal use Rs.400
Apr 30	Bank charged commission Rs.200
Apr 30	Withdrew from bank for paying income tax Rs.1,000

22. X who keeps incomplete records give you the following information:

Particulars	1 <sup>st</sup> Apr 2015	31 <sup>st</sup> Mar 2016
Cash in hand	18,700	20,400
Debtors	12,000	14,000
Creditors	9,000	1,500
Bills receivable	4,000	5,000
Bills payable	1,000	200
Furniture	6,000	6,000
Building	12,000	12,000
Bank balance	4,350	3,350(overdraft)

The additional formation are given (a) A provision of Rs.1,450 is required for bad and doubtful debts(b) Depreciation @ 5% is to be written off on building and furniture,(c) wages outstanding Rs.3,000, salaries outstanding Rs.1,200(d) Drawings of Mr.X during the year were Rs.7,520. Prepare a statement of profit as on 31<sup>st</sup> March 2016. **6**

23. The following is the receipts and payments of Sahara Nursing Society for the year ended 31<sup>st</sup> Mar 2014:

RECEIPTS AND PAYMENTS ACCOUNT for the year ended 31<sup>st</sup> March 2014.

Receipts	Amount	Payments	Amount
To Cash in hand	3,000	By Honorarium to clerk	10,000
To subscriptions		By Cost of a car	80,000
2013	600	By car expenses	4,200
2014	70,000	By building advance	25,000
2015	500	By charities	2,000
To donations	17,500	By meeting expenses	5,400
To entrance fees	15,000	By electricity	4,800
To endowment fund receipts	14,000	By medicines	800
To life membership fees	6,000	By investments	20,000
To rent of the hall	8,700	By expenses on charity show	6,200
To grant from local authority	4,000	By insurance premium	1,200
To proceeds of charity show	16,800	By balance c/d	400
To sundries	1,200		
To interest on investments	2,700		
<b>Total</b>	<b>1,60,000</b>	<b>Total</b>	<b>1,60,000</b>

The following information available in respect of above receipts and payments:

- (i)Rs.800 being in arrear for 2012-13 at the beginning of the year.
  - (ii) A donation of Rs.2,500 was wrongly included in subscriptions of the current year.
  - (iii)Insurance premium was paid in advance for three months.
  - (iv) Interest on investments Rs.300 through accrued was not actually received.
  - (v)A bill of medicine was purchased during the year amounting to Rs.200 was outstanding.
- You are required to prepare an income and expenditure account for the year ended 31<sup>st</sup> March 2014 and the balance sheet as at that date.

(OR)

Following is the Receipts and payments account of a club prepare the **income and expenditure account and balance sheet** for the year ended 31<sup>st</sup> December 2011.

RECEIPTS AND PAYMENTS ACCOUNT for the year ended 31<sup>st</sup> December 2011

RECEIPTS	Amount	PAYMENTS	Amount
To balance	825	By bank overdraft (1.1.2011)	3,800
To subscriptions		By salaries	2,750
2010	200	By drama expenses	7,000
2011	8,350	By sports materials	6,000
2012	150	By tournament expenses	4,000
To tournament fund	5,500	By municipal taxes	300
To proceeds of drama tickets	12,000	By upkeep of land	500
To sale of waste paper	35	By office expenses	2,500
To endowment fund receipts	15,000	By advance against construction	
To legacies	9,000	of building	10,000
		By balance	
		Cash	3,710
		Bank	10,500
Total	51,060	Total	51,060

Additional information:

1. The club has 180 members each paying an annual subscription of Rs.50.
2. Municipal taxes amounting to Rs.300 per annum have been paid up to 31<sup>st</sup> March 2012.
3. Balance of sports materials on 31<sup>st</sup> December,2011 was Rs.2,800.
4. The club had buildings amounting to Rs.40,000 and musical instruments worth Rs.10,000 on 1.1.2011.

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24. The following balances were taken from the books of Shrikumar on 31<sup>st</sup> March2011.

Debit balances	Amount	Credit balances	Amount
Drawings	2,000	Capital	24,500
General expenses	2,500	Sundry creditors	2,500
Buildings	11,000	Bank overdraft	11,180
Machinery	9,340	Sales	65,360
Stock	16,200	Bad debts provision	900
Power	2,240	Commission	1,320
Taxes and insurance	1,315	Bills payable	3,850
Wages	7,200		
Sundry debtors	6,280		
Charity	105		
Bad debts	550		
Purchases	47,000		
Scooter	2,000		
Trade expenses	1,780		
Cash	100		
Total	1,09,610	Total	1,09,610

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

1. Closing Stock was valued at Rs.23,500

2. Write off further bad debts of Rs.160 and maintain the provision for bad debts at 5% on sundry debtors.
3. Provide 2% discount on sundry creditors.
4. Provide Rs.750 for outstanding interest on bank overdraft.
5. Prepaid insurance is to the extent of Rs.50.
6. The manager is entitled a commission of 10% on net profit after charging such commission.

(OR)

Prepare final accounts from the following Trial balance of Raman for the year ended March 31,2011.

Debit	Amount	Credit	Amount
Bills Receivable	20,000	Capital	1,00,000
Manufacturing wages	5,000	Creditors	20,000
Packing	2,000	Returns outward	500
Salaries	15,000	Rent outstanding	2,000
Stationery	2,000	Loan at 12%	10,000
Telephone	1,000	Commission	4,000
Electric power	12,000	Discount	5,000
Rent	3,000	Sales	2,10,000
Printing	1,000		
Freight	3,000		
Gas & Fuel	4,500		
Purchases	48,500		
Return Inward	2,000		
Sales tax paid on purchases	2,500		
Plant	30,000		
Furniture	10,000		
Goodwill	25,000		
Delivery Van	30,000		
Van Expenses	8,000		
Driver Salary	12,000		
Maintenance expenses	2,000		
Debtors	40,000		
Opening stock	10,000		
Cash at bank	25,000		
Drawings	8,000		
Investment	30,000		
<b>Total</b>	<b>3,51,500</b>	<b>Total</b>	<b>3,51,500</b>

The additional information is under:

1. Closing stock is Rs.12,000
2. Depreciation on plant and machinery 5%, Furniture 10% and Van 15%.
3. Interest on loan is all due. The Loan was taken on November 1, 2010.
4. Create a provision of 5% on sundry debtors for doubtful debts.
5. Goods of the value of Rs6,000 are taken by Raman for his personal use.

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