



INDIAN SCHOOL SOHAR
FIRST TERM EXAM
ACCOUNTANCY

Total No of Pages:5

Class: XI
Date:19.09.2017

Max Marks:90
Time: 3 hours

General Instructions:

1. All questions are compulsory
2. Provide working notes wherever necessary
3. Attempt all the parts of a question at one place

1. What is the main objective of preparing a Trial balance? 1
2. Under which accounting concept is provision for doubtful debts made? 1
3. Name the branch of commerce, which keeps a record of monetary transactions in a set of books. 1
4. Give two examples of intangible asset. 1
5. An account is not opened in the name of the proprietor in the books of the firm. Give reason. 1
6. What is contra entry? 1

7. Explain the Objectives of accounting.(any three points) 3
8. Classify the following accounts under Asset, liability, expense and income. 3

a)Bank overdraft	b)Sales Account	c)Ram(debtor)	
d)Bad debts	e)Creditors	f)Goodwill	

9. Distinguish between fixed assets and current assets. 3

10. Ascertain Cost of goods sold and gross profit from the following: 3

Opening stock	32,000	Purchases	2,80,000
Direct expenses	20,000	Indirect expenses	45,000
Closing stock	50,000	Sales	4,00,000
Sales returns	8,000		

11. Ravi's Trial balance as on 31st March 2017 has the following information:

Head of Accounts	Debit	Credit
Loan @ 15% p.a.(loan taken on 1 st Nov 2016)		4,00,000
Interest on loan paid	15,000	

- What is the amount of outstanding interest to be shown in the profit and loss account and the balance sheet 2016-17? 3

12. Explain the following terms: (i) Goods (ii) Voucher (iii) Entity. 3

13. Rahul's trial balance provides you the following information 4

Debtors	Rs.2,00,000
Provision for bad and doubtful debts	Rs.4,000
Bad debts	Rs.5,000

Create 10% provision for bad and doubtful debts. Show how this would appear in the profit and loss account and balance sheet.

14. Journalise the following transactions in the books of Sudha
- Goods for Rs.50,000 were destroyed by fire.
 - Provide depreciation on machinery Rs.10,000.
 - Purchased machinery for Credit from Steel Authority Ltd Rs.1,20,000.
 - Goods returned from Rahul Rs.10,000.which was purchased earlier at trade discount of 20% .

4

15. Distinguish between trade discount and cash discount.

4

16. What is balance sheet? What is the purpose of preparing balance sheet?

4

17. From the following transactions prepare a simple petty cash book of Manohar:

Apr 1	Received cash from the Main cashier	2,000	
Apr2	Paid for conveyance	200	
Apr5	Paid for courier charges	150	
Apr6	Paid for repairs of computer	350	
Apr7	Stationery purchased	340	
Apr9	Taxi fare to assistant manager	180	
Apr10	Paid water expenses	200	
Apr15	Paid for office cleaning	400	4

18. Explain the following terms with suitable examples (a) Capital expenditure (b) Financial statements (c) Adjusted purchases.

6

19. Prepare the Trial balance and find out the capital of Mr.Nikil from the following details

6

Petty cash account	1,000	Long term borrowings	50,000
Leasehold premises	5,00,000	Equipment	25,000
Bank overdraft	40,000	Patents	35,000
Repairs to Equipment	5,000	Computer	75,000
Goodwill	86,000	Dividend received	7,500
Accrued interest	4,000	Capital	-----

20. Prepare the cash book of Jay from the following transactions with cash, bank and discount columns.

Apr 1	Balance of cash	22,500
	Bank overdraft	40,000
Apr 2	Cash sales	50,000
Apr 3	Paid to Suresh by cheque	14,000
Apr 5	Received cheque from Jeswant and sent to bank immediately	8,000
Apr 6	Cash purchases	11,000
Apr 8	Paid office expenses by cheque	3,000
Apr10	Received cheque from Dinesh 37,000 and endorsed to Ramesh.	

Apr15	Paid to Ram by cheque Rs.16,500, discount allowed by him Rs.500.		
Apr16	Paid into bank	25,000	
Apr 17	Withdrew from bank for personal purpose	5,000	
Apr 20	Interest received from the bank	4,500	
Apr22	Sold old furniture for cash	4,000	
Apr23	Paid advertisement expenses	6,300	
Apr24	Jeswant cheque dishonoured		
Apr25	Withdrew cash from bank for office use	15,000	
Apr26	Paid salary	26,000	
Apr27	Bank charges as per pass book	250	
Apr28	Cash sales	2,00,000	6

21. Following transactions were recorded in the books of Dharsan Kumar. Prepare Purchases book, Sales book and Purchases Return book. 6

Mar 1	Sold to Chandra Light house 50 Tube lights @ Rs.160 each 20 Heaters @ Rs.12,000 each Less 25%
Mar5	Purchased from Charat Ram Electric Co 25 Table Fans @ Rs.600 each 20 Ceiling Fans Rs.800 each
Mar10	Chaudhry & Sons purchased from us 80 dozen bulbs @ Rs.90 per dozen
Mar12	Purchased from Ram Lal & Sons one typewriter Rs.6,000 on credit for office use
Mar16	Sri Ram & Sons Sold to us 10 Electric Irons @ Rs.1500 each @ 10% discount
Mar20	Chandra Light House Returned 5 Tubelights Sold on March 1
Mar22	Sold goods to Jai Bhaghwan & Co for cash Rs.10,000
Mar25	Returned to Sri Ram & Sons 2 Electric irons purchased on March 16.

22. Record the following transactions in the **ledger accounts** of a) Shyam account b) Mahendran account and c) Sales account. 6

Apr 1	Ramesh started business with cash	5,00,000
Apr3	Bought goods for cash	20,000
Apr5	Sold goods to Shyam on credit	15,000
Apr7	Purchased goods from Mahendran	50,000
Apr10	Returned goods to Mahendran	5,000
Apr 11	Goods sold at 10% trade discount	1,00,000
Apr15	Received from Shyam in full settlement of his account	13,500
Apr18	Cash Sales	24,500
Apr25	Mahendran Account settled by cheque	?

23. Prepare final accounts from the following Trial balance of Ramesh for the year ended March 31, 2016.

Debit	Amount	Credit	Amount
Sundry debtors	1,45,000	Capital	7,10,000
Drawings	52,450	Creditors	63,000
Insurance	6,000	Returns outward	5,000
General expenses	30,000	Sales	9,87,800
Salaries	1,50,000		
Patents	75,000		
Machinery	2,00,000		
Freehold land	1,00,000		
Building	3,00,000		
Stock(1 st April 2015)	57,600		
Cash at bank	26,300		
Carriage on purchases	20,400		
Carriage on sales	32,000		
Fuel and power	47,300		
Wages	1,04,800		
Returns inward	6,800		
Purchases	4,06,750		
Cash in hand	5,400		
Total	17,65,800	Total	17,65,800

Following are the adjustments are made:

1. Closing stock is Rs.68,000
2. A provision for bad and doubtful debts is to be made to the extent of 5% on sundry debtors.
3. Depreciate machinery by 10% patents by 20% and building by 5%.
4. Salaries for the month of February and March were not paid.
5. Insurance includes a premium of Rs.1,700 on a policy expiring on 30th September 2016.
6. General Manager is entitled a commission of 10% on net profits after charging commission.

(OR)

The following balances were extracted from the books of Modern Traders on 31st March 2016.

Debit	Amount	Credit	Amount
Cash in hand	15,000	Capital	4,50,000
Purchases	1,20,000	Bank loan@ 10%	20,000
Return inward	10,000	(loan taken on Nov 1 st 2015)	
Establishment charges	25,000	Sales	3,60,000
Taxes and insurance	5,000	Return outward	20,000
Bad debts	5,000	Provision for bad debts	10,000
Sundry debtors	50,000	Sundry creditors	18,500
Investments	40,000	Commission	6,500
Stock	30,000		
Drawings	14,000		
Furniture	6,000		
Bills receivable	30,000		
Cash at bank	25,000		
Fuel and power	2,000		
Carriage on sales	3,000		
General expenses	5,000		
Land and building	2,00,000		
Plant and machinery	3,00,000		
Total	8,85,000	Total	8,85,000

The following are the adjustments to be made before preparation of final accounts.

- General expenses Rs.2,500 are outstanding. Accrued commission Rs.2,500.
- Provide bad debts Rs.1,000 and create a provision at 10% on debtors.
- Depreciation on furniture @10% and plant & machinery @5% and Closing stock value was Rs.45,000.
- A fire occurred on 20th March 2016 in the Godown and stock of the valued of Rs.15,000 was destroyed. It was insured and the insurance company admitted a claim of Rs.7000. **8**

24) Record the following transactions in the Journal books of Hari **8**

Date	Transactions
May1	Purchased goods from Vinod the list price of Rs.40,000@ trade discount 10%.
May2	Sold goods for cash of the list price of Rs.8,000 at 10% discount and 3% cash discount.
May3	Advance paid to Mahesh for purchase of Computers Rs.15,000.
May4	Received a cheque from Madan Rs.25,000 and deposited into the bank
May 5	Stationery purchased Rs.2,000 out of which half is used for personal purpose.
May 6	Due from Narayan Rs.24,000. Narayan becomes insolvent, a final settlement of 50% received from him.
May 7	Out of the rent paid this year, Rs.10,000 relates to the next year.
May 8	Dividend received Rs.12,000
May9	Provide interest on capital Rs.15,000
May10	Sold personal car for Rs.2,00,000 and introduced it as capital into the business
May11	Withdrawn goods for personal use(Cost 5000, sale prices Rs.8000)
May12	Received cash Rs.10,000 which was written off as bad debts last year
May13	Salary due to the staff Rs.1,20,000