



INDIAN SCHOOL SOHAR
TERM I EXAMINATION (2019-20)
ACCOUNTANCY

Date: 26.09.2019

Max Marks:80

Class: XI

Duration: 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. Which is the last step of accounting as a process of information?
 - (a)Recording of data in the books of accounts
 - (b)Preparation of summaries in the form of financial statements
 - (c)Communication of information
 - (d)Analysis and interpretation of information 1
 2. Which of the following is not a business transaction?
 - (a)Bought furniture of Rs.25,000 for personal use from savings account.
 - (b)Paid salaries of employees Rs.20,000
 - (c)Cash withdrawn for domestic use
 - (d)Samples given for advertisement Rs.12,000. 1
 3. A machine purchased for Rs.10,000 on 1st April 2018 and on 31st March 2019 its net realizable value was Rs.8,000.How the difference between the value is to be recorded? 1
 4. Contingent liabilities are shown in which concept?
 - (a)Matching (b) Full disclosure (c) going concern (d) Dual aspect 1
 5. Purchase of office equipment for cash would cause
 - (a)Cash in hand to decrease (b) External liability to decrease
 - (c)Total liabilities to increase (d)Total assets to increase. 1
 6. Goods worth Rs.3,000 were purchased on which the trader allowed Rs.200 as trade discount and 5% cash discount if paid immediately. What is the amount of purchases if payment made immediately? 1
 7. Salaries outstanding for a particular month will appear in
 - (a)Debit side of cash book (b)Credit side of cash book
 - (c)As a contra entry in the cash book (d) No Where in the cash book 1
 8. Credit purchase of new plant is initially recorded in
 - (a)Purchase day book (b)Cash book
 - (c)Directly to the plant account (d)General Ledger. 1
 9. Sales day book records
 - (a) Only credit sales of trading goods (b) Cash sales of trading goods (c)Sales of all types of capital goods (d) None of the above. 1
 10. What is deferred revenue expenditure?
 11. Stock is
 - (a)included in the category of fixed assets (b) a part of current assets
 - (c) An investment (d) An intangible asset. 1
 12. What is a trial balance? 1
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13. Rs.1,500 being income tax liability of proprietor paid by the firm will be debited to
 - (a)Income tax account (b) Drawings account (c) Profit and loss account 1

14. Choose the odd one account
(a)Cash a/c (b) Bank a/c (c) Sundry debtors a/c (d) Plant and machinery a/c. **1**
15. Journal is also called
(a)Subsidiary book (b) Daily event book (c) History sheet (d) log book. **1**
16. What is compound journal entry? **1**
17. Which accounting principle requires that personal expenses of proprietor or partners should be debited to drawings account? **1**
18. Which basis of accounting ascertained the correct profit or loss? Explain how? **1**
19. Is the balance of petty cash book an asset or income? **1**
20. When a suspense account will be opened? **1**
21. What is the meaning of Ind-AS? What are the two underlying assumptions in Ind-As? **3**
22. Y started a business on 1st April 2018 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 31st 2019 his assets were Rs.3,80,000. Find out his capital as on 31st March,2019 and profit earned during the year 2018-19. **3**
23. Record the opening journal entry from the following ledger balances as on 1st April 2018.
Building 5,00,000, furniture 2,00,000, Debtors 80,000, bank 25,000, Cash 25,000, Bills payable 25,000, Bills Receivable 10,000, Loan Rs.10,000, Rent outstanding Rs.2,000, creditors Rs.5,000 **4**
24. Explain the limitations of Accounting. (any four points) **4**
25. Pass the journal entries for the following transactions:
(i) Purchased goods from Sanjeev Rs.40,000 plus IGST @ 12%, and 10% trade discount and 2% cash discount. Payment was made immediately and availed the discount.
(ii)Sold goods to Anil for Rs.20,000 plus CGST and SGST @ 6% each. Allowed him trade discount @ 10% and received 5,000 cash immediately balance on credit. **4**
26. Ascertain the cost of goods sold and gross profit from the following details given below:
- | | | | |
|---------------|----------|-------------------|--------|
| Sales | 1,20,000 | Indirect expenses | 18,600 |
| Net purchases | 72,000 | Closing stock | 28,000 |
| Opening stock | 16,000 | Direct expenses | 4,000 |
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27. Show the accounting treatment of the following items in the profit & loss account and balance sheet:
- | Name of the accounts | Debit | Credit |
|------------------------------|----------|--------|
| Debtors | 4,10,000 | ----- |
| Provision for doubtful debts | ----- | 20,000 |
| Bad debts | 6,000 | ----- |
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- (a) Write off further bad debts Rs.10,000.
(b) Maintain the provision for doubtful debts @ 10% on sundry debtors. **4**
28. Record the following transactions in the ledger accounts of a) Cash account b) Govind account and c) Purchases account. **6**
- | | | |
|-------|-----------------------------|----------|
| Jan1 | Started business with cash | 1,00,000 |
| Jan 2 | Goods purchased from Govind | 50,000 |

Jan 2	Bought goods from Rahul	14,000
Jan 5	Goods returned to Govind	2,000
Jan11	Paid to Govind by cheque	30,000
Jan15	Cash purchases	15,000
Jan18	Paid salaries in cash	20,000
Jan20	Machinery purchased	20,000
Jan22	Commission received	10,000
Jan23	Paid the LIC premium of the proprietor	30,000

29. Prepare a double column cash book of Kumar with cash and bank columns.

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2018 January

- 1 Cash in hand Rs.18,520 and bank overdraft Rs.10,000.
- 2 Bought goods for cash Rs.12,000 and for cheque Rs.15,000 plus IGST @ 10%.
- 7 Bought goods from Gopal Rs.12,000 and payment made through cheque Plus CGST and SGST @ 6% each.
- 10 Purchased computer for official purpose of Rs.16,000 and payment made in cash.
- 14 Paid into bank Rs.14,000.
- 15 Sold goods Rs.20,000 to Rajeev, plus CGST and SGST @ 6% each, by cheque.
- 18 Ramesh who owed us Rs.5,000 became insolvent and paid us Rs.50 paise in a rupee.
- 20 Cheque received from Rajesh Rs.17,000 deposited into bank.
- 23 Received cash Rs.10,000 from Manish and allowed him discount Rs.200.
- 25 Goods sold for cash Rs.10,000 and for cheque Rs.19,000 and banked the same.
- 26 Deposited into bank Rs.10,000.
- 27 Rent paid by cheque Rs.2,500.
- 28 withdrew money from bank for personal use Rs.5,000
- 29 Received cheque from Pawan and deposited into the bank Rs.17,000.

30. Prepare Purchases book & Sales book of Naveen Furniture shop Chennai.

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- Jan 1 Sold on credit to Gopal & Co Mumbai,
10 sofa set @ Rs. 6,000 each,
5 Tables of @ Rs.2,000 each,
Trade discount 10% charged IGST @ 12%,

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- Jan 5 Purchased on credit from Ram bros Chennai,
15 Air conditioners @ Rs.12,000 each,
10 cupboard @ Rs.5,500 each,
Trade discount 10% plus CGST and SGST @ 6% each ,
- Jan 8 Sold to Akila Chennai,
10 wardrobe @ Rs.14,000 each,
15 dressing table @ Rs.4,000 each,
Trade discount 10% plus CGST and SGST@ 6% each.
- Jan 10 Purchased from Raja & Co, Chennai,
10 water purifiers @ Rs.1,750 each,
Plus CGST and SGST 6% each.

- Jan 15 Sold to Mahesh Bros Chandigarh,
5 water purifiers @ 7,000 each,
2 furniture set Rs.2,500 each, Charged 12% IGST .
- Jan 20 Purchased 5 delivery vans Rs.2,00,000 each.
- Jan 25 Purchased on credit From Anupam, Bangalore,
20 sofa set @ 12,000 each plus 12% IGST.

31. Journalise the following transactions in the books of Karan

- Jan 1st Started business with stock Rs.40,000 Cash Rs.45,000 and Furniture Rs.65,000.
- Jan 2nd Purchased a computer Rs.20,000 plus IGST @ 12%
- Jan 3rd Purchased goods on Rs.22,000 including IGST @ 10%.
- Jan 4th Cheque received from Ramesh Rs.12,000 and deposited into the bank on the same day.
- Jan 6th Paid income tax Rs.11,000
- Jan 9th Proprietor withdrew goods from business Rs.2,500 which was purchased on Jan3.
- Jan 12th Insurance paid during the year Rs.9000 out of which Rs.4500 related to next year.
- Jan 14th Paid to Shyam Rs.11,500 in full settlement of his claim Rs.12,000.

(OR)

Record the following transactions in the journal books of Sabari.

- March 1st Provide interest on capital @12% on Rs.1,00,000.
- March 2nd Goods used for personal use 10,000, which was purchased with CGST and SGST @ 6% each.
- March 5th 5,000 bad debts recovered from Ramesh a debtor.
- March 9th Bought furniture for Rs.15,000 on credit plus CGST and SGST 6% each.
- March 12th Additional capital introduced Rs.12,000.
- March 18th Received cheque from Anu 15,000 (deposited earlier) now dishonoured
- March 20th Old machinery sold for Rs.14,500.
- March 30th Repayment of Loan to Mano Rs.50,000 and interest Rs.1,000.

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32. The following balances were extracted from the books of Harish Chandra on 31st March 2018. Prepare the trading account, profit and loss account and balance sheet.

Particulars	Amount	Particulars	Amount
Opening stock	1,87,500	Creditors	90,000
Debtors	1,50,000	Bills payable	50,000
Bills receivable	75,000	Bank overdraft	10,000
Cash in hand	10,000	Sales	2,50,000
Plant	40,000	Purchases returns	12,000
Purchases	2,00,000	Capital	3,00,000
Sales returns	20,000	Bad debts recovered	1,800
Bad debts	15,000	10% loan from bank on 1.7.2017	50,000
Selling expenses	2,500	Discount (Cr)	700

Rent	1,000	Salaries	6,500
Drawings	25,000	Office expenses	16,000
Carriage inwards	2,000	Insurance	10,000
Carriage outwards	1,500	Discount (Dr)	500
Interest on loan	2,000	Output CGST	9,000
Input CGST	12,000	Output SGST	9,000
Input SGST	12,000	Output IGST	6,000

The additional information is provided under:

1. Closing stock was Rs.2,00,000
2. Write off further Rs.2000 as bad debts. Provision for doubtful debts is to be created @ 10% on debtors.
3. Depreciation is provided on plant and machinery @ 10% p.a.
4. salary outstanding Rs.15,000. Insurance premium was paid for the year ending 30th June 2018
5. A fire occurred in the factory on 25th March for Rs.15,000, but the insurance company admitted a claim of Rs.12,000.

(OR)

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The following balances were taken from the books of Mahesh as on 31st March 2019.

Particulars	Amount	Particulars	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 inwards	7,200	Sales	4,80,000
Purchases	2,13,500	Capital	30,700
Wages – Factory	1,50,000	Sundry debtors	45,700
Office expenses	14,000	General expenses	1,000
Cash at bank	6,500	Advertising	5,650
Cash in hand	400	Insurance	300
Stock	48,000	Telephone	350
Plant and machinery	50,000	Motor van	12,000
Furniture	2,600	Input IGST	7,000
Output SGST	2,000	Output IGST	5,000

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. Outstanding rent is Rs.1,200. Prepaid insurance Rs.200.
3. Depreciation on plant and machinery @ 10%, Furniture 5% and Motor Vans 5%.
4. Write off further bad debts Rs.700, Create Provision for doubtful debts @ 5% and provide a discount on debtors @ 2%.
5. Manager is entitled to a commission of 1% of the net profit after charging such commission.