



**DELHI PUBLIC SCHOOL SURAT
ACCOUNTANCY**

Roll No :

Class : XI

Marks : 90

Time Allowed : 3 Hrs

Instructions:

1. All the questions are compulsory to attempt.
2. All parts of questions should be attempted at one place.
3. Show the workings wherever it is required.
4. Marks for questions are indicated against each.

1. Purchased goods from Gopal for ₹3,600 but was recorded as ₹6,300 to the debit of Gopal. In the rectifying entry, Gopal's A/c will be credited with [1]
2. is Known as "Principal Book of Accounting". [1]
3. The balance of Sales day books is ₹30,000. ₹5,000 were recovered from debtors Then balance of day book will be transferred by which amount..... [1]
4. Write one difference between Cash Account and Cash Book. [1]
5. Balance Sheet is prepared on a particular date and not for a particular accounting period. State whether True or False. [1]
6. "Profit and Loss Account shows the financial position of the enterprise". Do you agree? [1]
7. Prepare **Accounting Equation** from the following: [3]
 - i. Started business with cash ₹50,000 and goods ₹30,000.
 - ii. Purchased goods for cash ₹30,000 and on credit from Karan ₹20,000.
 - iii. Goods costing ₹40,000 were sold for ₹55,000 for cash.
 - iv. Withdrew cash for personal use ₹10,000.
 - v. Rent outstanding ₹2,000.

8. A machine was purchased on 1st April, 2008. The balance of this machine on 31st March, 2011 is ₹2,91,600. Depreciation is charged @ 10% p.a. on written value method. **What was the cost price of machine on 1st April, 2008?** [3]
9. Prepare **Bank Reconciliation Statement** on 31st December, 1992 from the following particulars: [3]
- A's overdraft as per pass book ₹20,000 as at 31st December.
 - On 30th December, cheque had been issued for ₹80,000, of which cheques worth ₹15,000 only had been encashed up to 31st December.
 - Cheques amounting to ₹6,500 had been paid into the bank for collection but of these only ₹2,500 had been credited in the pass book.
 - The bank has charged ₹700 as interest on overdraft and the intimation of which has been received on 2nd January 1993.
 - The bank pass book shows credit for ₹2,000 representing ₹1,400 paid by debtor of A directly into bank and ₹600 collected directly by bank in respect of interest on A's investment. A had no knowledge of these items.
 - A cheque for ₹3,600 has been debited in bank column of Cash Book by A, but it was not sent to bank at all.
10. On 31st March, 1994 the Pass Book shows a credit balance of 9,000. Prepare a **Bank Reconciliation Statement** from the following particulars. [3]
- Cheque issued but not yet presented for payment ₹7,000
 - Cheque issued but omitted to be recorded in the cash book ₹3,800
 - Cheques paid into bank not yet collected by the bank ₹2,600
 - Premium on Life policy paid by the bank on standing advice ₹360
 - Payment received from customer, directly by the bank ₹2,000
11. Chandra Ltd. purchased a second hand machine for ₹8,000 on 1st July, 2009. They spend ₹3,500 on its overhaul and installation. Depreciation is written off 10% p.a. on the original cost. On 30th September, 2012, the machine was found to be unsuitable and sold for ₹6,500. Prepare the **Machinery A/c** for four years assuming that accounts are closed on 31st March. [3]
12. **Rectify the following errors** by means of journal entries: [3]

- i. A cheque of ₹5,000 received from Ashish was dishonoured and was debited to Discount Account.
- ii. Purchase of ₹540 from Ramneek was written in sales day Book, but was correctly posted to correct side of Ramneek's Account.
- iii. Salary paid to Miss Yugakshi ₹1,000 was debited to her personal account as ₹900.

13. Fill in the Blanks:

[4]

- i. The management of a firm is remarkably incompetent, but the firm's accountant cannot take this into account while preparing books of accounts because of concept.
- ii. If the firm believes that some of its debtors may default. It should act on this by making sure that all possible losses are recorded in the books. This is an example of the Principle.
- iii. The fact that a business is separated and distinguishable from its owner is best exemplified by the Principle.
- iv. The concept states that if straight line method of depreciation is used in one year, then it should also be used in the next year.

14. A book keeper finds that the debit side of the trial balance is short of ₹308 and so for the time being he balances the side by putting the difference to the suspense account. Subsequently, the following errors were disclosed:

- i. An entry for goods for ₹102 to Madhav was posted to his account as ₹120.
- ii. ₹100 being the monthly total of discount allowed to customers were credited to discount account in the ledger.
- iii. ₹275 paid by Madhav were credited to Jadav's account.
- iv. ₹26 appearing in the cash book as paid for the purchase of stationery for office use has not been posted to ledger.
- v. The debit side of purchases account was undercasted by ₹100.

You are required to make the necessary **rectifying entries and the suspense account.**

[4]

15. Rectify the following errors:

[4]

- i. ₹500 paid for the purchases of Radio set for the proprietor debited to General expense account.
- ii. Goods sold to Ram for ₹300 have been entered in the purchase book. However the account of Ram stands correctly posted.
- iii. An amount of ₹50 paid to Kewal has been credited to the account of Kanwal.
- iv. A sum of ₹450 paid as rent has been debited to Landlord's personal account.

- v. Wages paid for the month ₹300 was posted twice.
- vi. Sales return book was undercasted by ₹10.
- vii. Goods for ₹100 have been returned by a customer. These have been taken into stock but no entry in respect thereof has been made in the books.
- viii. Repairs ₹500 debited to machinery account as ₹550.

16. X draws upon Y a bill of ₹10,000 for three months on 1st July, 2011. The bill was duly accepted and returned by Y. On due date bill became dishonoured and noting charges paid under the following circumstances ₹75. **Pass entries in the Books of X in the following cases:** [4]

- i. If drawer retains the bill with him till due date.
- ii. If drawer discount the same with his Banker and noting charges paid by the Banker.
- iii. If drawer endorsed the same to his creditor Z and noting charges paid by Z.
- iv. If drawer sends the bill for collection to his banker and noting charges paid by the Banker.

17. Calculate the amount of **gross profit, operating profit and net profit** on the basis of the following balances extracted from the books of M/s Rajiv & Sons for the year ended March 31, 2005. [4]

Opening Stock	50,000	Net Sales	11,00,000
Net Purchases	6,00,00	Direct Expenses	60,000
Administration Expenses	45,000	Selling Expenses	65,000
Loss due to Fire	20,000	Closing Stock	70,000

18. Do as directed [2+4=6]

i. Calculate operating profit from the following:

Net Profit	5,00,000	Dividend Received	6,000
Loss on sales of Furniture	12,000	Loss by Fire	50,000
Salaries	1,20,000	Interest on Loan from Bank	10,000
Rent Received	24,000	Donation	5,100

ii. The Trial Balance of Manish Sharma gives the following information:

Head of Accounts	Dr.	Cr.
Debtors	2,50,000
Bad Debts	2,500
Discount Allowed	4,500

It is decided to create a provision for Doubtful debts @ 10% on debtors and provision for discount @ 2% on debtors. Show **how the adjustment will appear in the final accounts.**

19. On Feb. 01, 2006, Mohan drew upon Naresh a bill payable after 90 days. Naresh accepted the bill and Mohan endorsed the bill immediately in favour of his creditor Raja in full settlement of his account of ₹25,300. One week before the maturity of the bill Naresh requested Mohan to cancel the bill and drew upon him a new bill including interest of ₹ 400. Mohan agreed to it Mohan immediately took the bill from Raja by making the payment to him and then drew upon Naresh a new bill for 30 days which was dully met by Naresh on due date. **Pass necessary entries in the books of Mohan.** [6]

20. Do as Directed:

[2+4=6]

i. Pass necessary **Journal Entries**

- Purchased goods for cash ₹10,000 and spend ₹200 for carriage.
- Purchased machinery for cash ₹50,000 and spend ₹500 for its carriage
- Paid ₹20,000 for cement, ₹10,000 for timber and ₹5,000 as wages for the construction of building.
- Purchased an old machine for ₹20,000 and spent ₹2,500 on its immediate repairs.

ii. Enter the following transaction in a **single column cash book:**

2012 March	Particulars	₹
1	Commenced business with cash	20,000
2	Bought goods for cash	5,000
5	Sold goods for cash	4,000
10	Goods purchased from Ravi on credit	10,000
13	Paid to Ravi	7,000
15	Cash Sales	8,000
18	Purchased furniture for office	6,000
20	Paid wages	380
24	Paid rent	400
26	Received commission	600
28	Withdrew for personal use	1,000
31	Paid Salary	900

21. The Cash Book of a merchant showed an overdraft balance of ₹15,700 on 31st December 1997. On comparing it with the pass book, the following differences were noted:

- Cheques amounting to ₹12,250 were deposited into the bank, out of which cheques for ₹7,000 have been credited in the pass book on 2nd January, 1998 and one cheque of ₹1,200 was returned by the bank on 3rd January as dishonoured.
- Cheque were issued amounting to ₹8,300 of which cheque for ₹2,000 have been encashed upto 31st December.
- A cheque of ₹4,250 issued to creditor, has been entered in the Cash Book as ₹4,520.
- Bank charges of ₹180 on 30th November 1997 and ₹240 on 30th December 1997 have not been entered in the Cash Book.

- v. A B/R for ₹6,000 discounted with the bank is entered in the Cash Book without recording the discount charges of ₹300.
- vi. A cheque for ₹2,000 deposited into the bank appears in the Pass Book, but not recorded in the Cash Book.
- vii. A Cheque for ₹3,700 deposited into the bank appear in the Pass Book, was recorded in the cash column of the Cash book.

You are required to make appropriate adjustments in the cash book and to **prepare a bank reconciliation statement with the adjusted balance.**

[6]

22. Gopal Keeps incomplete records, On 1st April, 2011, his position was as follows:

[6]

STATEMENT OF AFFAIRS

Particulars	₹	Particulars	₹
Bank Overdraft	7,500	Cash	6,400
Sundry Creditors	15,000	Stock	52,000
Capital	1,64,500	Sundry Debtors	28,000
		Fixed Assets	1,00,000
		Prepaid Expenses	600
	1,87,000		1,87,000

His position on 31st March, 2012 was as follows:

Cash in hand ₹3,000; Cash at Bank ₹5,000; Stock ₹44,000; Debtors ₹21,000; Fixed Assets ₹80,000; Creditors ₹22,000

You are informed that Gopal has taken stock worth ₹4,500 for his private use and that he has been regularly transferring ₹2,000 per month from his business banking account by way of drawing. Out of his drawing he spent ₹15,000 for purchasing a scooter for the business on 1st October, 2011.

You are required to find out his **profit or loss and to prepare the Statement of Affairs** after considering the following:

- i. Depreciate Fixed Assets and Scooter by 10% p.a.
- ii. Write off Bad Debts ₹1,000 and provide 5% for doubtful debts on Sundry Debtors.
- iii. Commission earned but not received by him was ₹2,500.

23. On 1st July, 2010, X Ltd. Purchased a machinery for ₹15,00,000 Depreciation is provided @ 20% p.a. on the original cost of the machinery and books are closed on 31st March every year. On 31st May, 2012, a part of this machine purchased on 1st July 2010 for ₹3,60,000 was sold for ₹2,40,000 and on the same date new machinery was purchased for 4,20,000. You are required to prepare (a) **Machinery Account, (b) Provision for Depreciation Account and (c) Machinery Disposal Account.**

[8]

OR

ABC Ltd. purchased on 1st April 2006 a small plant for ₹1,00,000. On 1st October 2006 an additional plant was purchased costing ₹ 50,000. On 1st October 2007 the plant purchased on 1st April 2006, having become obsolete, was sold for ₹40,000. Depreciation is provided @ 10% p.a on original cost on 31st March every year. Show the **Plant A/c, Provision for Depreciation A/c and plant Disposal A/c for the years 2006-07 and 2007-2008.**

24. Prepare Trading Account and Profit and Loss Account for the year ended 31st March, 2018 from the following Trial Balance: **[8]**

Dr Balances	₹	Cr Balances	₹
Cash	6,500	Sales	1,35,000
Stock at Commencement	18,500	Capital	44,500
Purchases	70,400	Loan at 12% (1.7.2017)	15,000
Baddebts	800	Bank Overdraft	10,500
Interest on Loan	1,000	Discount	2,800
Repairs	2,400	Reserve for Doubtful Debts	1,200
Rent and Insurance	8,600	Output IGST	400
Wages	9,000	Output CGST	800
Salaries	10,000	Output SGST	800
Octroi	2,100		
Charity	1,000		
Machinery	24,000		
Furniture	15,000		
Input IGST	300		
Input CGST	700		
Input SGST	1,000		
Debtor(including Ram for Dishonoured Cheque of ₹3,000)	23,000		
Copyrights	8,000		
Carriage	3,500		
Misc.Expenses	4,300		
Loss on Sales of Furniture	900		
	2,11,000		2,11,000

- i. Closing stock amounted to ₹22,400. On 20th March, goods costing ₹5,000 was destroyed by fire but insurance company admitted a claim of 60% amount.
- ii. Half the amount receivable from Ram is irrecoverable. Create provision for doubtful debts on debtors @ 5%.

- iii. Insurance premium ₹2,000 was paid for the year ending 30th June, 2018 while rent ₹800 was not yet paid.
- iv. Charge interest on Capital @ 8% p.a.
- v. Commission receivable ₹1,000
- vi. Interest outstanding on Bank o/d ₹500
- vii. Depreciation Furniture and Machinery by 10% and write off 1/4th Copyright.

OR

Prepare **Balance Sheet** for the year ended 31st March, 2018 from the Trial Balance given above in the **Question No. 24**

END OF EXAMINATION