



# INDIAN SCHOOL MUSCAT FIRST TERM EXAMINATION

## ACCOUNTANCY

CLASS: XI

Sub. Code: 055

Time Allotted: 3 Hrs

20.09.2017

Max. Marks: 90

### General Instructions:

1. All parts of questions should be attempted at one place.
2. All questions are compulsory

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|----|---|---|
| 1  | Give two examples for Intangible assets.  | 1 |
| 2  | What is meant by Purchase?  | 1 |
| 3  | The caliber of the management team is not disclosed in the balance sheet. State the accounting concept/convention involved in the situation.  | 1 |
| 4  | What is Generally Accepted Accounting Principles?   | 1 |
| 5  | List the differences between Book Keeping and Accounting?   | 3 |
| 6  | Explain the following terms:<br>a) Drawings b) Expenditure c) Liabilities   | 3 |
| 7  | Explain the qualitative characteristics of accounting information.  | 4 |
| 8  | Briefly explain the limitations of Accounting   | 4 |
| 9  | What are the two accounting systems to record financial transactions in the books of account? Explain the system of accounting which is widely used?  | 4 |
| 10 | Explain the following concepts/conventions:<br>a) Prudence concept b) Going concern concept c) Revenue recognition concept  | 4 |
| 11 | What are the differences between Accrual bases of accounting and cash basis of Accounting?  | 4 |
| 12 | From the following transactions in the books of M/s Vinayak, Prepare Raj's Ledger Account.<br>Jan. 1 Goods sold to Raj on credit for ₹3000<br>Jan 4 Sold goods to Raj on credit ₹2000<br>Jan 5 Received from Raj in full settlement of amount due on Jan 1 <sup>st</sup> ₹ 2900<br>Jan 10 Raj purchased from us on credit goods worth ₹1000<br>Jan 16 Received cheque from Raj and the cheque deposited in the bank ₹2000<br>Jan 18 Bank intimates that cheque of Raj has been returned unpaid.<br>Jan 29 Raj becomes insolvent and a dividend of 70 p in the rupee is received | 4 |
| 13 | Mr. Ink, the petty cahier of M/s Ink Pot Traders received ₹ 2,000 on May 01, 2017 from the  | 6 |

Head Cashier. For the month, details of petty expenses are listed here under:

02 (May)	Auto fare ₹ 55
03	Courier services ₹ 40
04	Postal stamps ₹ 105
05	Erasers/Sharpener/Pencils/Pads ₹ 225
06	Speed post charges ₹ 98
08	Taxi fare (105 + 90) ₹ 195
08	Refreshments ₹ 85
12	Registered postal charges ₹ 42
13	Postage ₹ 34
14	Cartage ₹ 25
16	Computer stationery ₹ 165
19	STD call charges ₹ 87
20	Office sanitation including disinfectant ₹ 60
22	Refreshment ₹ 45
23	Photocopying charges ₹ 47
28	Courier services ₹ 40
30	Bus fare ₹ 15

- 14 Pass the Journal entries for the following transactions 8
- Outstanding salary at the end of the year ₹200
  - Received a first and final dividend of 60 paise in the rupee from the official receiver of Mr. Rajan who owed us ₹ 1000
  - Purchased goods from Murali of the list price of ₹1,00,000 less 12% trade discount and paid him by cheque under a cash discount of 5%.
  - Received cash for a bad debt written off last year ₹350
  - A cheque from Rahul of ₹ 5000 deposited in the bank was returned dishonoured
  - Drawn cash from bank for office use ₹ 500
  - Depreciation of ₹5000 was provided on the machinery at the end of the year.
  - Stock at the end of the year ₹2000
- 15 Show the effect of following transaction on the accounting equation: 8
- Vishnu started business with Cash ₹ 1,15,000, Goods ₹ 50,000 , Machinery ₹ 50,000 and Furniture ₹ 50,000
  - He purchased goods for cash ₹ 25,000
  - He sold goods (costing ₹ 10, 000) ₹ 17,500

- (d) He purchased goods from Jagu ₹ 27,500
- (e) He sold goods to Varun (Costing ₹ 26,000) ₹ 30,000
- (f) He paid cash to Jagu in full settlement ₹ 26,500
- (g) Depreciation on Machinery ₹1000
- (h) Interest on capital ₹ 300

16 Enter the following into a double column cash book with cash and bank columns during the month of March 2017 8

- March 1 Cash in hand ₹482
- March 1 Bank balance ₹362
- March 4 Paid salaries in cash ₹220
- March 4 Paid stalin and co. by cheque in full settlement of their claim of ₹265, ₹260
- March 5 Received from Ram and Mohan, on account cheque for ₹ 400
- March 6 Bought goods for cash ₹25
- March 7 Cash sent to bank ₹100
- March 8 Paid Hari and Company by cheque (discount allowed ₹3), ₹ 64
- March 9 Received from Mohan Bros in coins and notes ₹150
- March 11 Received from Ramesh Bros a cheque (discount allowed ₹ 8) ₹160
- March 12 Drawn from bank ₹200
- March 14 Paid wages ₹270
- March 15 Interest collected by bank ₹30
- March 16 Goods sold to Mr. Red for cash ₹80
- March 25 Bought goods from Gyan on credit ₹ 27
- March 31 Deposit into bank account , balance of cash in excess of ₹ 97

17 Prepare a Bank Reconciliation Statement on 31<sup>st</sup> December 2015 from the following particulars 8

- (a) Overdraft balance as per the pass book ₹ 12000 as on 31<sup>st</sup> December
- (b) On 30<sup>th</sup> December, cheques had been issued for ₹ 70,000 of which cheques worth ₹ 3,000 only had been encashed upto 31<sup>st</sup> December.
- (c) Cheques amounting to ₹ 3,500 had been paid into the bank for collection but of these only ₹ 500 had been credited in the pass book
- (d) The bank has charged ₹ 500 as interest on overdraft and the intimation of which has

been received on 2<sup>nd</sup> January 2016.

- (e) The bank pass book shows credit for ₹ 1000 representing ₹ 400 paid by debtor direct into the bank and ₹ 600 collected direct by the bank in respect of interest on investment. The trader had no knowledge of these items.
- (f) A cheque for ₹ 200 has been debited in the bank column of cash book but it was not sent to the bank at all.

18 Enter the following transactions in the subsidiary books. Prepare necessary ledger accounts and draft a trial balance as on 30.04.2016

18

April

- 1 Rajesh started a business with cash ₹3,00,000
- 4 Furniture purchased from Madhu Furishing ₹10000
- 5 Purchased goods for cash ₹50,000
- 6 Purchased goods from pooja ₹ 2,00,000; less trade discount 20%
- 9 Opened a bank account by depositing cash ₹50,000
- 10 Sold goods for cash ₹1,00,000
- 10 Purchased stationery from Ranjit ₹5,000
- 11 Sold goods to Sudhir ₹1,00,000
- 14 Goods returned by sudhir ₹30,000
- 15 Payment to Pooja by cheque ₹10,000
- 20 Goods purchased from Divya ₹1,00,000
- 25 Goods returned to Divya ₹10,000
- 26 Depreciation for furniture ₹1,000
- 27 Cash withdrawn for office use ₹3,000
- 28 Withdrew cash for private use ₹5000
- 30 Salary paid ₹10,000

**End of the Question Paper**