## INDIAN SCHOOL MUSCAT

CLASS: 11

## HALF YEARLY EXAMINATION

ACCOUNTANCY (055)
SET - C

| 1. | Which of the following is not a qualitative characteristic of accounting information? <br> a) Reliability <br> b) Understand ability <br> c) Comparability <br> d) Materiality <br> Ans: Materiality |  |  | 1 |
| :---: | :---: | :---: | :---: | :---: |
| 2. | Match the following: |  |  |  |
|  | A |  | B |  |
|  | 1 Debentures | A | Fictitious assets |  |
|  | 2 Trademark | B | Current Liabilities |  |
|  | 3 Creditors | C | Intangible fixed assets | 1 |
|  | 4 Deferred revenue expenditure | D | Long term liabilities |  |
|  | Ans: 1-d ; 2- c; 3-b ; 4- a |  |  |  |
| 3. | Accounting information must be presented in such a way that only accounting people understands it. State true or false with a reason. <br> Ans. False: it must be presented in a simple and logical manner that they are understood easily by the users. |  |  | 1 |
| 4. | A firm has received a large order to supply goods. Will it be recorded in the books of account of the firm? Give reason. <br> Ans: No. it will not be recorded as it is not a transaction. |  |  | 1 |
| 5. | Which external user of accounting information is most interested in knowing the long-term solvency position of the firm? <br> a) Employees <br> b) Management <br> c) Bank and Financial Institutions <br> d) Researchers <br> Ans: Bank and Financial Institutions |  |  | 1 |
| 6. | A person to whom money is owed by a firm for purchase of goods is called a $\qquad$ Ans: Creditor |  |  | 1 |
| 7. | Under which concept if advance is received against sale of goods, the advance received is recorded as 'Advance Against Sale' and not sales? <br> Ans: Revenue Recognition Concept. |  |  | 1 |
| 8. | "Stock is valued at Cost or Net realizable value whichever is lower". State whether the statement is true or false. <br> Ans: True |  |  | 1 |
| 9. | IFRS are based on: <br> a) Historical cost <br> b) Fair value <br> c) Both historical cost and fair value <br> d) None of these <br> Ans: b |  |  | 1 |
| 10 | Sales is recognized as revenue <br> a) When the contract for sale is entered into. <br> b) At the point of sale or performance of service. |  |  | 1 |


|  | c) After the expiry of credit period allowed to debtors. <br> d) After the money collected from the customers. <br> Ans: b |  |
| :---: | :---: | :---: |
| 11 | State the accounting concept/ convention involved when purchase of pen is treated as expense. Ans: Materiality concept. | 1 |
| 12 | State one difference between Cash bases and Accrual bases of accounting on the basis of Legal position.   <br> Basis Cash bases Accrual bases <br> Legal position Not recognized by the Companies <br> Act 2013 Recognized by the companies Act <br> 2013   | 1 |
| 13 | $\qquad$ is a source document for having deposits made in the bank. Ans. Pay-in-slip | 1 |
| 14 | Accrual Bases of accounting recognizes <br> a) Outstanding and Prepaid expenses <br> b) accrued incomes and Income received in advance <br> c) Both (a) and (b) <br> d) None of the above <br> Ans: c | 1 |
| 15 | What is an Invoice? <br> Ans. Invoice is source document prepared by the seller of goods on credit. | 1 |
| 16 | Mohan's bank reconciliation statement shows cheques deposited but not credited by bank of ₹.7,600 and cheques issued but not presented by suppliers of ₹.7,000. His bank balance as per Cash Book is ₹.50,000. Balance as per pass book statement is <br> a) ₹. 50,000 <br> b) ₹. 49,400 <br> c) ₹. 50,600 <br> d) ₹. 46,600 <br> Ans: b | 1 |
| 17 | Define a cheque. <br> Ans: It is written document drawn upon a specified banker and payable on demand. | 1 |
| 18 | Depreciation arises because of <br> a) Wear and tear <br> b) Inflation <br> c) Fall in the value of the asset <br> d) None of these <br> Ans: a | 1 |
| 19 | State two errors committed in Cash Book which are considered while preparing Bank Reconciliation Statement. <br> Ans: a) Overcasting or undercasting of bank column of the Cash Book. <br> b) Wrong amount recorded in bank column of Cash Book. | 1 |
| 20 | The loss on sale of an asset is debited to $\qquad$ Ans: Profit \& loss a/c | 1 |
| 21 | Explain the three Fundamental accounting assumptions or concepts. Ans: <br> a) Going concern <br> b) Consistency <br> c) Accrual concept | 3 |

Explain any three Accounting principles.
Ans.
a) Business entity
b) Materiality
c) Historical

From the following particulars, prepare a Petty Cash Book for the month of January 2018 :
2018
Jan 1 Drew for petty cash ₹.5,000
Jan 3 Paid for postage ₹. 300
Jan 5 Paid for telephone bill ₹. 400 plus CGST and SGST @ 6\% each.
Jan 8 Paid for cartage ₹. 140
Jan 9 Paid for postage ₹. 200
Jan 12 Paid for sundries ₹. 100
Jan 27 Paid for stationery ₹. 300 plus IGST @ $12 \%$ each
Petty Cash Book

| Rec | Dat e | In | Particula <br> rs | $\begin{aligned} & \text { Payme } \\ & \text { nt } \end{aligned}$ | Postag <br> e | Tele <br> p | Cartag | stat <br> i | Misc <br> e | $\begin{aligned} & \text { CGS } \\ & \text { T } \end{aligned}$ | $\begin{aligned} & \text { SGS } \\ & \mathrm{T} \end{aligned}$ | $\begin{aligned} & \text { IGS } \\ & \text { T } \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{aligned} & 201 \\ & 8 \end{aligned}$ |  |  |  |  |  |  |  |  |  |  |  |
| $\begin{aligned} & 5,00 \\ & 0 \end{aligned}$ | Jan $1$ |  | To cash |  |  |  |  |  |  |  |  |  |
|  | Jan |  | By postage | 300 | 300 |  |  |  |  |  |  |  |
|  | Jan |  | By Tele | 400 | 400 |  |  |  |  |  |  |  |
|  |  |  | By In CGST | 24 |  |  |  |  |  | 24 |  |  |
|  |  |  | By In SGST | 24 |  |  |  |  |  |  | 24 |  |
|  |  |  | By cartage | 140 |  |  | 140 |  |  |  |  |  |
|  |  |  | By <br> postage | 200 | 200 |  |  |  |  |  |  |  |
|  |  |  | By sund | 100 |  |  |  |  | 100 |  |  |  |
|  |  |  | By <br> Stationer | 300 |  |  |  | $\begin{aligned} & 30 \\ & 0 \end{aligned}$ |  |  |  |  |
|  |  |  | By In IGST | 36 |  |  |  |  |  |  |  | 36 |
|  |  |  |  | 1524 | 500 | 400 | 140 | $\begin{aligned} & 30 \\ & 0 \end{aligned}$ | 100 | 24 | 24 | 36 |
|  |  |  | By Bal c/d | 3476 |  |  |  |  |  |  |  |  |
| 5000 |  |  |  | 5000 |  |  |  |  |  |  |  |  |



|  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Suryakant's a/c |  |  |  |  |  |  |  |  |
|  | Date | Particulars | JF | Amount | Date | Particulars | JF | Amount |  |
|  | 2019 |  |  |  | 2019 |  |  |  |  |
|  | Mar 10 | To Pur ret a/c |  | 9,000 | Mar 1 | By bal b/d |  | 1,00,000 |  |
|  |  | To Input IGST a/c |  | 1,080 | Mar 4 | By Purchase a/c |  | 45,000 |  |
|  | Mar 15 | To Bank a/c |  | 1,26,288 | Mar 4 | By Input IGST a/c |  | 5,400 |  |
|  |  | To Dis recd a/c |  | 14,032 |  |  |  |  |  |
|  |  |  |  | 1,50,400 |  |  |  | 1,50,400 |  |
| 26 | Prepare a Double Column Cash Book with Cash and Bank Column from the following information: |  |  |  |  |  |  |  | 4 |
|  | Prepare a Double Column Cash Book with Cash and Bank Column from the following information: 2019 |  |  |  |  |  |  |  |  |
|  | Jan 1 Cash in hand ₹.6,000, Bank Balance (Cr) ₹.42,000 |  |  |  |  |  |  |  |  |
|  | Jan 3 Discounted a 3 month bill for ₹.60,000 at 12\%p.a. |  |  |  |  |  |  |  |  |
|  | Jan 8 Cash sales ₹. 50,400 including IGST @ 12\% |  |  |  |  |  |  |  |  |
|  | Jan 15 Honoured our own acceptance ₹ $.36,000$ by bank |  |  |  |  |  |  |  |  |
|  | Jan 25 Salary paid by cheque ₹.52,000 plus CGST and SGST @ 6\%each. |  |  |  |  |  |  |  |  |
|  | Jan 28 Deposited into bank ₹. 15,000 |  |  |  |  |  |  |  |  |
|  | Jan 31 Deposited in excess of ₹.6,000 into bank |  |  |  |  |  |  |  |  |
|  | Ans: same as Set 1 |  |  |  |  |  |  |  |  |
| 27 | From the following information, prepare a Trial Balance of M/s Parul Ltd. for the year ended $31^{\text {st }}$ March |  |  |  |  |  |  |  | 4 |
|  | Building ₹.6,00,000; Bank overdraft ₹.1,00,000; Capital ₹.7,36,000; Sales ₹.10,40,000 |  |  |  |  |  |  |  |  |
|  | Machinery ₹.1,70,000; Creditors ₹.5,00,000; Furniture ₹.56,000; Debtors ₹.6,00,000 |  |  |  |  |  |  |  |  |
|  | Return outwards ₹.26,000; Purchases ₹.10,00,000; Bad Debts ₹.28,000; Cash ₹.4,000; <br> Discount received ₹ 30,000 ; Interest received ₹ 26,000 , Reserve ₹ 2,00,000; Motor vehicle ₹ 2,00,000 |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  | Ans: same as SET 1 |  |  |  |  |  |  |  |  |
| 28 | Show an Accounting Equation for the following transactions: |  |  |  |  |  |  |  | 6 |
|  | a) Mohan commenced business with cash ₹. $1,00,000$ and ₹.2,00,000 by cheque; goods ₹.1,20,000; machinery |  |  |  |  |  |  |  |  |
|  | b) $1 / 3^{\text {rd }}$ of the above goods sold at a profit of $10 \%$ on cost and half the payment is received in cash. |  |  |  |  |  |  |  |  |
|  | c) Depreciation on machinery provided $10 \%$. |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  | e) Bought refrigerator for personal use ₹.5,000. <br> f) Accrued interest $₹ .500$ |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  | Ans: same as SET 1 |  |  |  |  |  |  |  |  |
| 29 | The Cash Book of Rohan showed an overdraft balance of ₹. 60,000 on $30^{\text {th }}$ September 2018 with his bank. |  |  |  |  |  |  |  | 6 |
|  | On investigation it was found that: |  |  |  |  |  |  |  |  |
|  | 1) Receipts Side of Cash book was undercast by ₹. 40,000 |  |  |  |  |  |  |  |  |
|  | 2) A cheque of ₹. 24,000 received from his customer and deposited into his bank was dishonoured and debited by bank before $30^{\text {th }}$ September 2018, but no entry for dishonor was passed in Cash Book. |  |  |  |  |  |  |  |  |
|  | 3) Bank had debited ₹. 5,600 as interest on overdraft up to $30^{\text {th }}$ Sepetember, 2018 but no entry was passed in |  |  |  |  |  |  |  |  |
|  | 4) Cheque issued amounting to ₹. 28,000 had not been presented for payment to the Bank upto $30^{\text {th }}$ |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  | September 2018. |  |  |  |  |  |  |  |  |
|  | 5) Cheques amounting to ₹. 20,000 entered in the Receipts side of the Cash book and deposited into the Bank have not been credited by Bank upto $30^{\text {th }}$ September, 2018. |  |  |  |  |  |  |  |  |
|  | 6) A cheque for ₹. 12,000 drawn by another customer of the Bank of similar nature had been debited to the account of Rohan in error. |  |  |  |  |  |  |  |  |
|  | Prepare an Amended Cash Book and Bank Reconciliation Statement as on $30^{\text {th }}$ September, 2018. Ans: |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  | Ans: <br> Amended Cash Book as on $30^{\text {th }}$ September 2018 |  |  |  |  |  |  |  |  |
|  | Same as set 1 |  |  |  |  |  |  |  |  |
| 30 | Following are the balances as on $1^{\text {st }}$ April 2015: Machinery a/c ₹. 2,50,000 |  |  |  |  |  |  |  | 6 |


|  | Provision for Depreciation ₹. 58,000 <br> Depreciation is charged on machinery at $20 \%$ p.a. by Diminishing Balance Method. A piece of machinery purchased on $1^{\text {st }}$ April 2013 for ₹. 50,000 was sold on $1^{\text {st }}$ October 2015 for ₹. 30,000. Prepare Machinery $\mathrm{a} / \mathrm{c}$, Machinery Disposal a/c and Provision for depreciation a/c for the year ended 31 ${ }^{\text {st }}$ March 2016. <br> OR <br> Following balances appear in the books of Deepali, as on $1^{\text {st }}$ April 2018: <br> Machinery a/c ₹. 4,00,000 <br> Provision for depreciation a/c ₹. 1,55,000 <br> On $1^{\text {st }}$ July, 2018 machinery which was purchased on1st April 2015 for ₹. 60,000 was sold for ₹. 25,000 and on the same date machinery was purchased for ₹. 16,000 . The firm charges depreciation @ $15 \%$ p.a. on fixed instalment method and closes its books on $31^{\text {st }}$ March every year. Prepare Machinery a/c , Machinery disposal $\mathrm{a} / \mathrm{c}$ and provision for depreciation $\mathrm{a} / \mathrm{c}$ for the year 2018-2019. <br> Ans: Same as Set 1 |
| :---: | :---: |
| 31 | From the following transactions of the month of April, 2019, prepare the Proper Subsidiary books of Jindal \& Co.Delhi a saree dealer ,post them into the ledger and prepare a trial balance. 2019 <br> April 1 Purchased on credit from Goyal Mills, Surat 250 polyester sarees @ ₹. 600 each. <br> April 3 Purchased on credit from Bansal \& Co., 2 typewriters @ ₹.2,100 each. <br> April 5 Sold on credit to Goyal \& Co., 500 polyester sarees @ ₹. 750 each. <br> April 10 Sold for cash to Garg \& Co.,Punjab 200 Kota sarees @ ₹. 300 each. <br> April 12 Returned to Goyal mills, Surat 50 polyester sarees @ ₹. 600 each. <br> April 22 Goyal \& Co. became insolvent and paid only 80 paise in a rupee in full and final settlement. <br> 24 Rent due to landlord, Ram ₹. 600 . <br> OR <br> Enter the following transactions in to proper Subsidiary books, post them to ledger and draw a Trial Balance. <br> Jan 01 Mahapatra started business with cash ₹. 1, 80,000 <br> Jan 04 Goods purchased from Tara for ₹. 22,400 <br> Jan 05 Goods purchased for cash ₹. 30,000 <br> Jan 08 Goods sold to Naman ₹. 12,000 less $10 \%$ trade discount. <br> Jan 18 Furniture purchased for office use ₹.5,600 <br> Jan 20 Naman returned goods of ₹.2,000 list price. <br> Jan 25 Rent due to landlord ₹.5,000 <br> Ans: same as SET 1 |
| 32 | Record the following transactions of Heena Garments, Assam into Purchase book and Sales Return book. 2019 <br> April 1 Purchased Readymade shirts from Monty of Delhi of the list price of ₹. 80,000 less $10 \%$ trade discount plus IGST @ 12\%. <br> April 3 Sold Ladies dresses for cash ₹. 10,000 <br> April 5 Sold Readymade pants to M/s Mintu, Assam for ₹.20,000 less trade discount $10 \%$ charged CGST and SGST @ 6\% each. <br> April 10 Purchased Readymade dresses for children from Naina Ltd. Assam for ₹.30,000 less 15\% trade discount plus CGST and SGST @ $6 \%$ each. . <br> April 12 Sold to M/s. Minal ltd. 100 Sarees @ ₹.2,000 each less trade discount @ $10 \%$. <br> April $15 \mathrm{M} / \mathrm{s}$ Mintu returned the Readymade pants to us for ₹. 2,000 gross price. <br> April 20 Returned to Naina Ltd. Assam Readymade dresses for children of ₹.5,000 invoice price. <br> April $25 \mathrm{M} / \mathrm{s}$ Minal Ltd. returned 10 Sarees @ ₹. 2,000 each gross price. <br> OR <br> Record the following transactions of Hemant Ltd, Delhi into Sales book and Purchase Return book. 2019 <br> January 1 Purchased from M/s Linsu of Delhi <br> 50 Registers @ ₹. 300 less $10 \%$ trade discount plus CGST and SGST @ 6\% each.. |

January 5 Sold to M/s Nahum of Amritsar
100 gross registers @ ₹. 50 per dozen. Less $10 \%$ trade discount plus IGST @ $12 \%$.
January 10 Returned to M/s Linsu 5 Registers @ ₹. 300 list price.
January 7 Sold 20 dozen exercise books @ ₹. 600 each to M/s Mathur, Haryana @ $15 \%$ trade discount plus IGST @ $12 \%$.
January 10 Returned 12 Registers @ ₹. 300 list price to M/s Linsu.
January 15 Sold stationery for cash ₹. 1,000 .
January 20 Sold 5 Computer printer to M/s Leena @ ₹. 2,000 each.
Ans: same as SET 1

