



INDIAN SCHOOL MUSCAT FIRST TERM EXAMINATION



ACCOUNTANCY

SET A

CLASS: XI

Sub. Code: 055

Time Allotted: 3 Hrs

16.09.2018

Max. Marks: 80

EXPECTED VALUE POINTS AND SCHEME OF EVALUATION

Q.	Answers	Mk
1	Prudence concept Set B Q 4	1
2	According to the American institute Accounting is the art of recording ,classifying and summarizing in a significant manner and in terms of money transactions and events which are , in part atleast of a financial character and interpreting the results thereof. Set B Q 3	1
3	Debtor Set B Q 2	1
4	Accountings standards are a set of guidelines i.e Generally Accepted Accounting Principles issued by the accounting body of the country i.e The Institute of Chartered Accountants of India. Set B Q 1	1
5	Objectives of Accounting a) Maintaining accounting records b) Determining profit or loss c) Determining financial position d) Facilitating management e) Providing accounting information to users f) Protecting business assets (Any three)	3
6	1) Accounting is not fully exact 2) Accounting does not indicate the realizable value 3) Accounting ignores the qualitative elements. 4) Accounting ignores the effect of price level changes 5) Accounting may lead to window dressing (Any three) Set B Q 9	3
7	It is a system of accounting under which both debit and credit aspects of accounting are recorded.	4

	<div>Advantages</div> <div><div>1) Scientific decisions</div><div>2) Complete record of transactions</div><div>3) Arithmetical accuracy</div><div>4) Determining profit or loss</div></div> <div>Set B Q 10</div>																	
8	<div><div>1) Banks and financial institution</div><div>2) Investors</div><div>3) Creditors</div><div>4) Government authorities</div><div>5) Researchers</div><div>6) Consumers</div><div>7) Public</div><div>(Any four)</div></div> <div>Set B Q 11</div>			4														
9	<table><tr><td>Basis</td><td>Book keeping</td><td>Accounting</td></tr><tr><td>1) Scope</td><td>Concerned with identifying financial transactions measuring them in money terms, recording them in the books of account and classifying them</td><td>Concerned with summarizing the recorded transactions, interpreting them and communicating the results.</td></tr><tr><td>2) Objective</td><td>To maintain systematic records of financial transactions .</td><td>To ascertain net results of operations and financial position and to communicate information to the interested parties.</td></tr><tr><td>3) Stage</td><td>Primary. It is the basis for accounting</td><td>Secondary. It begins where book keeping ends.</td></tr><tr><td>4) Special skills</td><td>Mechanical in nature. Does not require special skills</td><td>Requires special skills and ability to analyze and interpret.</td></tr></table>	Basis	Book keeping	Accounting	1) Scope	Concerned with identifying financial transactions measuring them in money terms, recording them in the books of account and classifying them	Concerned with summarizing the recorded transactions, interpreting them and communicating the results.	2) Objective	To maintain systematic records of financial transactions .	To ascertain net results of operations and financial position and to communicate information to the interested parties.	3) Stage	Primary. It is the basis for accounting	Secondary. It begins where book keeping ends.	4) Special skills	Mechanical in nature. Does not require special skills	Requires special skills and ability to analyze and interpret.		4
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	<div>Set B Q 6</div>																	
10	<div><div>a) Voucher: It is an evidence of a business transaction. Examples are cash memo, invoice, receipts etc</div><div>b) Trade Receivables: It is the amount receivable for sale of goods or services rendered in the ordinary course of business. It is the sum total of debtors and bills receivables.</div><div>c) Liabilities: It means amount owed by the business. Towards the owners and outsiders. Liabilities are classified into non current liability and current liability.</div><div>d) Capital expenditure: It is an expenditure incurred to acquire assets or improving the existing assets which will increase the earning capacity of the business.</div></div> <div>Set B Q 7</div>			4														
11	<div>a) Business Entity Concept</div> <div>Ans. The concept of business entity assumes that business has a distinct and separate entity from its owners. It means that for the purposes of accounting, the business and its owners are to be treated as two separate entities.</div> <div>b) Matching concept</div>			4														

	<p>Ans. The process of ascertaining the amount of profit earned or the loss incurred during a particular period involves deduction of related expenses from the revenue earned during that period. The matching concept emphasizes exactly on this aspect. It states that expenses incurred in an accounting period should be matched with revenues during that period.</p> <p>c) Consistency concept Ans. The accounting information provided by the financial statements would be useful in drawing conclusions regarding the working of an enterprise only when it allows comparisons over a period of time as well as with the working of other enterprises. Thus, both inter-firm and inter-period comparisons are required to be made. This can be possible only when accounting policies and practices followed by enterprises are uniform and are consistent over the period of time.</p> <p>d) Going concern concept Ans. The concept of <i>going concern</i> assumes that a business firm would continue to carry out its operations indefinitely, i.e. for a fairly long period of time and would not be liquidated in the foreseeable future.</p> <p>Set B Q 8</p>																																																																	
12	<p>(1) Revenue must be recognized when it is realized and expenses are recognized when incurred. Ans. Accrual concept</p> <p>(2) Financial statements of the firm are prepared every year on 31st March. Ans. Accounting period Concept</p> <p>(3) The caliber or quality of the management team is not disclosed in the Balance sheet. Ans. Money Measurement Concept</p> <p>(4) Sale is recognized on the basis of Cash Memo of Invoice. Ans. Verifiable Evidence Objective.</p> <p>(With explanation)</p> <p>Set B Q 13</p>	4																																																																
13	<p style="text-align: center;">Ronit's a/c</p> <table><tr><th colspan="4">Dr</th><th colspan="4">Cr</th></tr><tr><th>Date</th><th>Particulars</th><th>J/f</th><th>Amount</th><th>Date</th><th>Particulars</th><th>J/f</th><th>Amount</th></tr><tr><td>Jan 10</td><td>To Bank a/c</td><td></td><td>14,000</td><td>Jan 1</td><td>By bal b/d</td><td></td><td>20,000</td></tr><tr><td>Jan 14</td><td>To Pur. Ret a/c</td><td></td><td>4,000</td><td>Jan 5</td><td>By Purchases a/c</td><td></td><td>40,000</td></tr><tr><td>Jan 20</td><td>To B/P a/c</td><td></td><td>10,000</td><td></td><td></td><td></td><td></td></tr><tr><td>Jan 30</td><td>To Cash a/c</td><td></td><td>12,000</td><td></td><td></td><td></td><td></td></tr><tr><td>Jan 31</td><td>To Bal c/d</td><td></td><td>20,000</td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td>60,000</td><td></td><td></td><td></td><td>60,000</td></tr></table> <p>Set B Q 12</p>	Dr				Cr				Date	Particulars	J/f	Amount	Date	Particulars	J/f	Amount	Jan 10	To Bank a/c		14,000	Jan 1	By bal b/d		20,000	Jan 14	To Pur. Ret a/c		4,000	Jan 5	By Purchases a/c		40,000	Jan 20	To B/P a/c		10,000					Jan 30	To Cash a/c		12,000					Jan 31	To Bal c/d		20,000								60,000				60,000	4
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14	<p>Trial Balance as on ____</p> <table><tr><th>SN</th><th>Head of accounts</th><th>Dr</th><th>Cr</th></tr><tr><td>1</td><td>Bad debts</td><td>3000</td><td></td></tr></table>	SN	Head of accounts	Dr	Cr	1	Bad debts	3000		5																																																								
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1	Bad debts	3000																																																																

15	2	Sundry creditors		25000									
	3	Trade expenses	2500										
	4	Printing & stationery	5000										
	5	Return outwards		4500									
	6	Rent rates	3450										
	7	Capital		197000									
	8	Freight	750										
	9	Discount recd		3500									
	10	Sales return	6000										
	11	Interest recd		11210									
	12	Motor car	25000										
	13	Sales		100000									
	14	Opening stock	75500										
	15	Furniture	15500										
	16	Purchases	75000										
	17	Drawings	13560										
	18	Investments	65500										
	19	Cash in hand	36000										
	20	Sundry debtors	14450										
			341210	341210									
	Set B Q 14												
15	Petty Cash Book												6
	Rec	Dt	In	Partic	Pay	Wag	Sta	Con	Rep	Post	Misc	Cart	IIGST
		2017 April											
	500	1		To bal b/d									
	1500	1		Cash									
		2		Wages	120	120							
		3		Stat	157		140						17
		5		Conv	24			24					
		8		Rep	35				35				
		8		Tele	16					16			
		10		Refres	40						40		
		12		Posta	160					160			
		14		Clean	44						44		
		17		Carta	50							50	

		19		Lock	20						20				
		25		Stat	88		88								
		25		con	10			10							
		26		con	50			50							
		27		stat	20		20								
		28		coolie	15	15									
		29		posta	5					5					
		30		cartage	5							5			
		Ap30		By Tele	25					25					
					884	135	248	84	35	206	104	55	17		
		Ap30		By Bal c/d	1116										
	2000				2000										
	1116	May1		To bal b/d											
	884	May1		To cash											
16	Cash Book														8
	Dr				Cr										
	Date	Particulars		Cash	Bank	Date	Particulars		Cash	Bank					
	2017					2017									
	Jan1	To bal b/d		3000		Jan1	By Bal b/d			21000					
	Jan 3	To Bills/Re			29100	Jan4	By Purch			21000					
	Jan8	To sales		45000			By InCGST			1260					
		To OIGST		5400			By InSGST			1260					
	Jan18	To Sales			18000	Jan15	By Bills/P			36000					
	Jan28	To Cash			15000	Jan20	By Sachin			60000					
	Jan29	To Hema		27000		Jan25	By salary			52000					
	Jan31	To Cash			59400		By ICGST			3120					
	Jan31	To bal c/d			77560		By ISGST			3120					

					Jan28	By Bank	15000				
					Jan30	By Bank char		300			
						BY Bank	59400				
						By Bal c/d	6000				
			80400	199060			80400	199060			
Set B Q 18											
17	Journal entries									8	
	Date	Particulars			L/f	Debit		Credit			
	1	Drawings a/c Dr To Purchases a/c				1,000		1,000			
	2	Cash a/c Dr Bad debts a/c Dr To debtor a/c				15,000 5,000		20,000			
	3	Interest on capital a/c Dr To Capital a/c				10,000		10,000			
	4	Purchase a/c Dr Input IGST a/c Dr To Cash a/c To Discount Recd a/c To Veera a/c				90,000 10800		49900 500 50400			
	5	Prepaid Insurance a/c Dr To Cash a/c				1,500		1,500			
	6	Drawings a/c Dr Rent a/c Dr To Cash a/c				1,000 2,000		3000			
	7	Cash a/c Dr To Capital a/c				15,000		15,000			
	8	Cash a/c Dr Discount allowed a/c Dr To Nilesh a/c				5,800 200		6,000			
18	SN	Tran	Cash	Stock	Mach	Drs		Crs	Loan	Capital	8
	1		400000	100000					150000	350000	
	2		(80000)		80000						
		New Eqn	320000	100000	80000				150000	350000	
	3			100000				100000			
		New Eqn	320000	200000	80000			100000	150000	350000	
	4		56000	(80000)		32000				8000	

		New Eqn	376000	120000	80000	32000		100000	150000	358000	
	5									+8000 (8000)	
		New Eqn	376000	120000	80000	32000		100000	150000	358000	
	6				(10000)					(10000)	
		New Eqn	376000	120000	70000	32000		100000	150000	348000	
	7		12800			(32000)				(19200)	
		New Eqn	388800	120000	70000	0		100000	150000	328800	
	8			(20000)						(20000)	
		New Eqn	388800	100000	70000			100000	150000	308800	
Balance sheet											
Liabilities			Amount		Asset			Amount			
Capital			308800		Cash			388800			
Loan			150000		Stock			100000			
Creditors			100000		Machinery			70000			
			558800					558800			
Set B Q 16											
19	Cash Book										16
Dr								Cr			
Date	Particulars	Cash	Bank	Date	Particulars	Cash	Bank				
2017				2017							
Jan 1	To Bal b/d	100000		Jan 1	By Bal b/d		45000				
Jan 2	To Cash a/c		60,000	Jan 2	By Bank a/c	60000					
Jan 14	To Sales a/c	18000		Jan 8	By Wages a/c	1000					
Jan 30	To Sharon a/c	41100		Jan 12	By Pur a/c	5000					
				Jan 31	By Kiran a/c	32,800					
				Jan 31	By Bal c/d	60300	15000				

		159100	60000			159100	60000

Purchase Book

Date	Particulars	L/F	Inv	Details	cost	icgst	isgst	iigst	frei	Amount
2017										
Jan 3	Kiran			40,000						
	Less : 10% TD			4000						
	Add: Input CGST			2160						
	Add Input SGST			2160						
				38520	36000	1260	1260			38520
Jan 31	Purchase a/c				36000	1260	1260			38520

Purchase Return Book

Date	Particulars	L/F	Debit	Details	cost	icgst	isgst	iigst	Amount
2017									
Jan 16	Kiran			3000					3000
	Less : TD			300					
	Add: Input CGST			162					
	Add : Input SGST			162					
				3024	2700	162	162		3024
	Purchase return a/c								

Sales Book

Date	Particulars	L/F	Inv	Details	value	Ocgst	Osgst	Oigst	Freight	Amount
2017										
Jan 4	Sharon			70000						
	Add: OCGST			420						

	Add: OSGST			420						
				70840	70000	4200	4200			78400
Jan 31	Sales a/c				70000	4200	4200			78400

Sales Return Book

Date	Particulars	L/F	Credit	Details	value	Ocgst	Osgst	Oigst	Amount
2017									
Jan 18	Sharon			10000					
	Add: OCGST			600					
	Add: OSGST			600					
				11200	10000	600	600		11200
Jan31	Sales return a/c								10000

Journal proper

Date	Particulars	l/f	Debit	Credit
2017				
Jan1	Cash a/c Dr Machinery a/c Dr Motor car a/c Dr Sharon a/c Dr To Kiran a/c To Bank overdraft a/c To Capital a/c		100000 50000 75000 15000	25000 45000 170000
Jan 25	Furniture a/c Dr To Kishore a/c		20000	20000
Jan 30	Bad debts a/c Dr To Sharon a/c		41100	41100
Jan 31	Kiran a/c Dr		200	

	To Discount received a/c			200
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Machinery a/c

Dr

Cr

Date	Particulars	J/f	Amount	Date	Particulars	J/f	Amount
2017				2017			
Jan 1	To bal b/d		50000	Jan 31	By bal c/d		50000
			50000				50000

Motor car a/c

Dr

Cr

Date	Particulars	J/f	Amount	Date	Particulars	J/f	Amount
2017				2017			
Jan 1	To Bal b/d		75,000	Jan 31	By Bal c/d		75,000
			75,000				75,000

Sharon a/c

Dr

Cr

Date	Particulars	J/f	Amount	Date	Particulars	J/f	Amount
2017				2017			
Jan 1	To Bal b/d		15000		By sales return		10000
	To sales a/c		70000		By OCGST a/c		600
	To OCGST a/c		4200		By OSGST a/c		600
	To OSGST a/c		4200		By Cash a/c		41100
					By Bad debts		41100
			93400				93400

Kiran a/c

Dr

Cr

Date	Particulars	J/f	Amount	Date	Particulars	J/f	Amount
2017				2017			
	To pur return		2700	Jan 1	By bal b/d		25000
	To Input CGST		162	Jan 3	By Purchase		36000
	To Input SGST		162	Jan 3	By Input CGST		1260
Jan 31	To Cash a/c		32800		By Input SGST		1260
	To Dis recd a/c		200				
Jan 31	To Bal c/d		27496				
			63520				63520

Capital a/c

Dr

Cr

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
2017				2017			
Jan 31	To bal c/d		170000	Jan 1	By Bal b/d		170000
			170000				170000

Furniture a/c

Dr

Cr

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
2017				2017			
Jan 1	To Kishore a/c		20000	Jan 31	By Bal c/d		20000
			20000				20000

Discount received a/c

Dr

Cr

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
2017				2017			
Jan 31	To bal c/d		200	Jan 31	By Kiran		200

			200				200
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Purchase a/c

Dr

Cr

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
2017				2017			
Jan 12	To Cash a/c		5000	Jan 31	By bal c/d		41000
Jan 31	To sundries		36000				
			41000				41000

Input CGST a/c

Dr

Cr

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
2017				2017			
Jan 31	To sundries as per PB		1260	Jan 16	By sundries as per PR Book		162
				Jan 31	By bal c/d		1098
			1260				1260

Input SGST a/c

Dr

Cr

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
2017				2017			
Jan 31	To sundries as per PB		1260	Jan 16	By sundries as per PR book		162
				Jan 31	By bal c/d		1098
			1260				1260

Sales a/c

Dr

Cr

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
2017				2017			

Jan 31	To bal c/d		88000	Jan 14	By Cash		18000
				Jan 31	By sundries		70000
			88000				88000

Output CGST a/c

Dr

Cr

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
2017				2017			
Jan 18	To sundries as per SR book		600	Jan31	By sundries as per SB		4200
Jan 31	To Bal c/d		3600				
			4200				4200

Output SGST a/c

Dr

Cr

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
2017				2017			
Jan 18	To sundries as per SR book		600	Jan31	By sundries as per SB		4200
Jan 31	To Bal c/d		3600				
			4200				4200

Purchase return a/c

Dr

Cr

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
2017				2017			
Jan 31	To bal c/d		2700	Jan 31	By sundries as per PR book		2700
			2700				2700

Sales return a/c

Dr

Cr

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
2017				2017			
Jan 31	To sundries		10000	Jan 31	By bal c/d		10000
			10000				10000

Wages a/c

Dr

Cr

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
2017				2017			
Jan 8	To Cash a/c		1000	Jan 31	By Bal c/d		1000
			1000				1000

Bad debts a/c

Dr

Cr

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
2017				2017			
Jan 30	To Sharon		41100	Jan 31	By bal c/d		41100
			41100				41100

Kishore a/c

Dr

Cr

Date	Particulars	J/F	Amount	Date	Particulars	J/F	Amount
2017				2017			
Jan 31	To bal c/d		20000	Jan 25	By Furniture a/c		20000
			20000				20000