

**INDIAN SCHOOL MUSCAT**  
CLASS: 11  
**SECOND PERIODIC ASSESSMENT**  
ACCOUNTANCY (055)  
**SET – B**

**General Instructions:**

- 1) All questions are compulsory.
- 2) Draw proper formats using scale and pencil.

QP.NO.	VALUE POINTS	SPLIT UP MARKS																											
1.	<p>Goodwill is a _____</p> <p>(a) Fictitious assets (b) Tangible assets (c) Intangible assets (d) Expense</p> <p><b>Ans: (b) Tangible assets</b></p>	1																											
2.	<p>State and explain any three merits of Single entry system.</p> <p><b>Ans:</b> (a) Simple method (b) Less Expensive (c) Suitable for Small Business</p>	3																											
3.	<p>Classify the following into capital expenditure or revenue expenditure or deferred revenue expenditure:</p> <p>a) Payment of wages amounting to 2,50,000 for construction of building - <b>CE</b> b) Cost of purchasing old machinery for 12,000 and cost of its repair 10,000. The machinery was installed in the factory at a cost of 3,000- <b>CE</b> c) Advertising suspense – <b>DRE</b> d) Cost of air-conditioning of the office of the General Manager - <b>CE</b></p>	4																											
4.	<p>Mr. Ashok does not keep his books properly. Following information is available from his books.</p> <table border="1"> <thead> <tr> <th>Particulars</th><th>Jan. 01, 2019 ₹.</th><th>Dec. 31, 2019 ₹.</th></tr> </thead> <tbody> <tr> <td>Sundry creditors</td><td>45,000</td><td>93,000</td></tr> <tr> <td>Loan from wife</td><td>66,000</td><td>57,000</td></tr> <tr> <td>Sundry debtors</td><td></td><td>22,500</td></tr> <tr> <td>Land and Building</td><td>89,600</td><td>90,000</td></tr> <tr> <td>Cash in hand</td><td>7,500</td><td>8,700</td></tr> <tr> <td>Bank overdraft</td><td></td><td>25,000</td></tr> <tr> <td>Furniture</td><td>1,300</td><td>1,300</td></tr> <tr> <td>Stock</td><td>34,000</td><td>25,000</td></tr> </tbody> </table> <p>During the year Mr. Ashok sold his private car for ₹. 50,000 and invested this amount into the business. He withdrew from the business ₹. 1,500 per month up to July 31, 2019 and thereafter ₹. 4,500 per month as drawings. You are required to prepare the statement of profit or loss and statement of affair as on December 31, 2019.</p>	Particulars	Jan. 01, 2019 ₹.	Dec. 31, 2019 ₹.	Sundry creditors	45,000	93,000	Loan from wife	66,000	57,000	Sundry debtors		22,500	Land and Building	89,600	90,000	Cash in hand	7,500	8,700	Bank overdraft		25,000	Furniture	1,300	1,300	Stock	34,000	25,000	4
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5.

The following is the trial balance of Mr. S.Kapur on 31 <sup>st</sup> March , 2019		
Name of accounts	Dr	Cr
Cash in hand	1,080	
Cash at Bank	5,260	
Purchases	81,350	
Sales		1,97,560
Returns inward	1,360	
Returns outward		1,000
Wages	20,960	
Fuel and power	9,460	
Carriage on sales	6,400	
Carriage on purchases	4,080	
Stock(1.04.2018)	11,520	
Buildings	60,000	
Freehold land	20,000	
Machinery	40,000	
Salaries	30,000	
Patents	15,000	
General expenses	6,000	
Insurance	1,200	
Capital		1,42,000
Drawings	10,490	
Sundry debtors	29,000	
Sundry creditors		12,600
	3,53,160	3,53,160

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Prepare Trading and Profit and Loss account and the Balance sheet after taking into the following adjustments:

a) Stock in hand on 31<sup>st</sup> March 2019 is 13,600

b) Machinery is to be depreciated at the rate of 10% and patents at the rate of 20%.

c) Salaries for the month of March, 2019 amounting to 3,000 were unpaid.

d) Insurance includes a premium of 170 for the next year.

e) Wages include a sum of 4,000 spent on the erection of cycle-shed for employees and customers.

f) A provision for bad and doubtful debts is to be created to the extent of 5% on sundry debtors

**Ans: Trading and Profit and Loss a/c : Gross Profit – 87,430 ; Net Profit – 32,550**

**Balance sheet - 1,79,660**