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## INDIAN SCHOOL MUSCAT FIRST TERM EXAMINATION



### ACCOUNTANCY

**CLASS: XI**

**Sub. Code: 055**

**Time Allotted: 3 Hrs**

**16.09.2018**

**Max. Marks: 90**

#### General Instructions:

- 1) All questions are compulsory.
- 2) Please draw proper columns with pencils.

- |   |   |   |
|---|---|---|
| 1 | Define Accounting Standards.  | 1 |
| 2 | Name the person who owes money against sale of goods to a firm.   | 1 |
| 3 | Define Accounting.  | 1 |
| 4 | 'Closing stock is valued at lower of cost or market price.' Which concept of accounting is applied here?  | 1 |
| 5 | State any three objectives of Accounting.   | 3 |
| 6 | Differentiate between Book keeping and Accounting on the basis of Scope, Objective, Stage and Special skills.   | 4 |
| 7 | Define the following:   | 4 |
|   | <ol style="list-style-type: none"> <li>a) Voucher</li> <li>b) Trade Receivables</li> <li>c) Liabilities</li> <li>d) Capital expenditure</li> </ol>                          |   |
| 8 | Explain the following accounting concepts   | 4 |
|   | <ol style="list-style-type: none"> <li>a) Business Entity Concept</li> <li>b) Matching concept</li> <li>c) Consistency concept</li> <li>d) Going concern concept</li> </ol> |   |

- 9 Accounting provides information about the profitability and financial soundness of a concern. In addition, it provides various other valuable information also. However, accounting has certain limitations. Explain any three of such limitations. 4
- 10 What do you mean by Double entry system of accounting? Explain any three advantages of it. 4
- 11 Name and explain the external users interested in knowing about the Accounting information. 4
- 12 Prepare Ronit's account from the following: 4
- Jan 1: Amount owing to Ronit ₹.20,000  
 Jan 5: Purchased goods from Ronit ₹.40,000  
 Jan 10 : Payment made to Ronit by cheque ₹.14,000  
 Jan 14: Goods returned to Ronit ₹.4,000  
 Jan 20: Issued a B/P to Ronit ₹.10,000  
 Jan 25: Purchased goods from Ronit for Cash ₹.60,000  
 Jan 30: Cash paid to Ronit on account ₹.12,000
- 13 Identify and explain the accounting concepts/convention involved in each of the following situations: 4
- (1) Revenue must be recognized when it is realized and expenses are recognized when incurred.  
 (2) Financial statements of the firm are prepared every year on 31<sup>st</sup> March.  
 (3) The caliber or quality of the management team is not disclosed in the Balance sheet.  
 (4) Sale is recognized on the basis of Cash Memo of Invoice.
- 14 Prepare a Trial Balance from the following 5
- Bad debts ₹.3,000 Sundry creditors ₹.25,000, Trade expenses ₹.2,500 ,Printing and Stationary ₹.5,000 Return outwards ₹.4,500,Rent, Rates and Taxes ₹.3,450 Capital ₹.1,97,000, Freight ₹.750 Discount received ₹.3,500,Sales return ₹.6,000 Interest received ₹.11,210, Motor car ₹.25,000 Sales ₹.1,00,000, Opening stock ₹.75,550,Furniture and Fixture ₹.15,500, Purchases ₹.75,000,Drawings ₹.13,560, Investments ₹.65,500,Cash in hand ₹.36,000, Sundry debtors ₹.14,450
- 15 Prepare a petty cash book from the following transactions when the monthly float is Rs.2000. 6

2017

April 1	To bal b/d ₹.500
April 2	Wages paid ₹.120
April 3	Stationery ₹.140 plus IGST @ 12%
April 5	Taxi fare ₹.24
April 8	Repairs ₹. 35
April 8	Telegram ₹.16
April 10	Refreshment ₹.40
April 12	Postage stamps ₹.160
April 14	Cleaning charges ₹.44
April 17	Cartage ₹.50

April 19	Lock purchase ₹.20
April 25	Stationery ₹.88
April 25	Auto fare ₹.10
April 26	Transportation ₹. 50
April 27	Pencils and pens ₹. 20
April 28	Coolie charges ₹. 15
April 29	Postage ₹.5
April 30	Cartage ₹. 5
April 30	Telegram ₹.25

16 Show the accounting equation and balance sheet from the following information:

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- Runawal started business with Cash ₹.4,00,000; Stock ₹.1,00,000 and loan ₹.1,50,000
- Machinery purchased for Cash ₹.80,000.
- Purchased goods from Rameez ₹.1,00,000.
- Sold Goods (costing ₹.80,000) to Minara at a profit of 10% for cash ₹.56,000 and the balance on credit.
- Interest on capital provided ₹.8,000.
- Machinery depreciated by ₹.10,000
- Minara becomes bankrupt (insolvent) . A first and final composition of 40 paise in a rupee is received out of a debt from official receiver.
- Goods withdrawn for personal use ₹.20,000

17 Journalise the following transactions in the books of M/s Gabriel & Co.

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- Goods worth ₹.1000 were used by the proprietor for domestic purposes.
- Received a final dividend of 75paise in a rupee for a debt of ₹.20000 due from Heera.
- Allow 10% interest on capital of ₹.1,00,000.
- Purchased goods worth ₹.1,00,000 from Veera, trade discount 10%. Paid 50% in cash at a discount of ₹.500 plus IGST @ 12%.
- Prepaid Insurance ₹.1,500 .
- Paid landlord ₹.3,000 for rent. One third of the premises are occupied by the proprietor for his own residence.
- Sold household furniture for ₹.15,000 and paid the money into business.
- Received cash from Nilesh ₹.5,800 in full and final settlement of an account of ₹.6,000.

18 Prepare a two column cash book

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2015

Jan 1 Cash in hand ₹.3,000 , Bank Balance (Cr) ₹.21,000

Jan 3 Discounted a 3 month bill for ₹.30,000 at 12%p.a.

Jan 4 Bought goods by cheque ₹.21,000 plus CGST and SGST @ 6% each.

Jan 8 Cash sales ₹.50,400 including IGST @ 12%

Jan 15 Honoured our own acceptance ₹.36,000 by bank

Jan 18 Received a cheque for goods sold ₹.18,000

Jan 20 Issued a cross cheque for ₹.60,000 to Sachin in full settlement of a debt of ₹.66,000

Jan 25 Salary paid by cheque ₹.52,000 plus CGST and SGST @ 6%each.

Jan 28 Deposited into bank ₹.15,000  
Jan 29 Cash received from Hema ₹.27,000  
Jan 30 Bank charges as per pass book ₹.300  
Jan 31 Deposited in excess of ₹.6,000 into bank

- 19      Following were the balances of accounts appearing in the books of Anil Ltd. As on 1<sup>st</sup> January 2017 16
- Debit balances : Cash ₹.1,00,000 , Machinery ₹.50,000 , Motor car ₹.75,000 , Sharon ₹.15,000  
Credit balances : Kiran ₹.25,000 , Bank overdraft ₹.45,000
- Jan 2: Deposited into bank ₹.60,000  
Jan 3: Purchased goods from Kiran ₹.40,000 and trade discount 10% plus CGST and SGST @ 6% each.  
Jan 4: Sold goods to Sharon ₹.78,400 including CGST and SGST @ 6 % each .  
Jan 8: Paid wages ₹.1,000  
Jan 12: Purchased goods for cash ₹.5,000  
Jan 14: Sold goods for cash ₹.18,000  
Jan 16: Returned goods to Kiran ₹.3,000 (list price)  
Jan 18: Returned goods by Sharon ₹.10,000  
Jan25: Purchased furniture from Kishore ₹.20,000  
Jan30: Sharon became insolvent and received from his official receiver 50 paise in a rupee.  
Jan 31 Paid to Kiran ₹.32,800 and discount received ₹.200.

**End of the Question Paper**