

Roll Number

B



## INDIAN SCHOOL MUSCAT HALF YEARLY EXAMINATION

Subject : ACCOUNTANCY

CLASS: 11

Sub. Code: ( 055)

Time Allotted: 03 hours

22-09-2019

Max. Marks: 80

### General Instructions:

- 1) All parts of a question should be attempted at one place.
- 2) Draw proper formats using scale and pencil.

1. Which of the following is not a business transaction? 1
- a) Purchase of goods for resale amounted to ₹.50,000
  - b) Paid salaries and wages amounted to ₹.10,000
  - c) Paid rent for office premises ₹.5,000
  - d) Purchased a LCD for personal use.

2. Match the following: 1

	A		B
1	Bank loan	A	Fictitious assets
2	Copyright	B	Current Liabilities
3	Bills Payable	C	Intangible fixed assets
4	Advertisement suspense	D	Long term liabilities

3. Accounting information must be presented in such a way that only accounting people understands it. State true or false with a reason. 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. 1
5. Which is the last step of accounting as a process of information? 1
- a) Recording
  - b) Preparation of financial statements.
  - c) Communication of information
  - d) Analysis and interpretation of information.
6. A person who owes money to the firm against goods sold is called a \_\_\_\_\_. 1
7. Under which convention is sale recognized on the basis of Cash Memo or Invoice. 1
8. "Stock is valued at Cost or Net realizable value whichever is lower". State whether the statement is true or false. 1

9. IFRS are based on: 1  
 a) Historical cost b) Fair value  
 c) Both historical cost and fair value d) None of these
10. Sales is recognized as revenue 1  
 a) When the contract for sale is entered into.  
 b) At the point of sale or performance of service.  
 c) After the expiry of credit period allowed to debtors.  
 d) After the money collected from the customers.
11. State the accounting concept/ convention involved when purchase of pen is treated as expense. 1
12. State one difference between Cash bases and Accrual bases of accounting on the basis of Suitability 1
13. Cash Memo is a source voucher for \_\_\_\_\_ purchaser of goods. 1
14. Accrual Bases of accounting recognizes 1  
 a) Outstanding and Prepaid expenses b) Accrued incomes and Income received in advance  
 c) Both (a) and (b) d) None of the above
15. What is an Invoice? 1
16. Mohan's bank reconciliation statement shows cheques deposited but not credited by bank of ₹.3,800 and cheques issued but not presented by suppliers of ₹.3,500. His bank balance as per Cash Book is ₹.25,000. Balance as per pass book statement is 1  
 a) ₹.25,000 b) ₹.24,700  
 c) ₹.25,300 d) ₹.32,300
17. Define a cheque. 1
18. The term amortization is used to write off \_\_\_\_\_ 1  
 a) Fixed Assets b) Intangible Assets  
 c) Tangible Assets d) Wasting Assets
19. State two errors committed in Cash Book which are considered while preparing Bank Reconciliation Statement. 1
20. The loss on sale of an asset is debited to \_\_\_\_\_ 1
21. Explain the following: 3  
 a) Historical cost principle  
 b) Materiality Principle  
 c) Revenue Recognition concept

**OR**

What do you mean by Accounting Standards? State any two objectives.

22. From the following particulars, prepare a Petty Cash Book for the month of January 2018 : 3

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

23. Explain any four Advantages of accounting. 4

**OR**

Discuss in brief the external users of Accounting information.

24. Pass the Journal entries for the following transactions: 4

a) Purchased goods from Vinita for ₹.1,60,000 plus IGST @ 18% at 10% trade discount and 3% cash discount. Half the amount paid at the time of purchase.

b) Ketan is declared insolvent. Received from his Official Receiver 75paise in a rupee on debt of ₹.1,50,000.

3) Depreciation of ₹.5,000 was provided on the machinery at the end of the year

4) Sold household furniture for ₹.50,000 and the proceeds were invested into business.

25. From the following transactions prepare Mr.Suryakants Ledger a/c: 4

2019

March 1: Owed money to Mr.Suryakant ₹.1,00,000

March 4: Bought goods from Mr.Suryakant ₹.50,000 @ 10% trade discount plus 12% IGST.

March 10 Returned goods to Mr.Suryakant ₹. 10,000 list price.

March 15 Paid to Mr. Suryakant by cheque in full settlement and discount received @ 10 %.

26. Prepare a Double Column Cash Book with Cash and Bank Column from the following information: 4

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

27. From the following information, prepare a Trial Balance of M/s Parul Ltd. for the year ended 31<sup>st</sup> March 2019: 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;

Discount received ₹.30,000; Interest received ₹.26,000, Reserve ₹. 2,00,000; Motor vehicle ₹. 2,00,000

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 ₹.2,00,000 and Loan ₹.1,00,000.

- b) 1/3<sup>rd</sup> 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%.
- d) Rent outstanding ₹.2,000
- e) Bought refrigerator for personal use ₹.5,000.
- f) Accrued interest ₹.500

29. The Cash Book of Rohan showed an overdraft balance of ₹. 60,000 on 30<sup>th</sup> September 2018 with his bank. On investigation it was found that: 6
- 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<sup>th</sup> 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<sup>th</sup> September, 2018 but no entry was passed in Cash book.
  - 4) Cheque issued amounting to ₹. 28,000 had not been presented for payment to the Bank upto 30<sup>th</sup> 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<sup>th</sup> 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<sup>th</sup> September, 2018.

30. Following are the balances as on 1<sup>st</sup> April 2015: 6
- Machinery a/c ₹. 2,50,000  
 Provision for Depreciation ₹. 58,000
- Depreciation is charged on machinery at 20% p.a. by Diminishing Balance Method. A piece of machinery purchased on 1<sup>st</sup> April 2013 for ₹. 50,000 was sold on 1<sup>st</sup> October 2015 for ₹. 30,000. Prepare Machinery a/c, Machinery Disposal a/c and Provision for depreciation a/c for the year ended 31<sup>st</sup> March 2016.

**OR**

Following balances appear in the books of Deepali, as on 1<sup>st</sup> April 2018:

Machinery a/c ₹. 4,00,000

Provision for depreciation a/c ₹. 1,55,000

On 1<sup>st</sup> July, 2018 machinery which was purchased on 1<sup>st</sup> 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<sup>st</sup> March every year. Prepare Machinery a/c , Machinery disposal a/c and provision for depreciation a/c for the year 2018-2019.

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. 8
- 2019
- April 1 Started Business with cash ₹.1,00,000
  - April 2 Deposited into bank ₹.25,000
  - April 2 Purchased on credit from Goyal Mills, Surat 250 polyester sarees @ ₹.600 each.
  - April 3 Purchased on credit from Bansal & Co., 2 typewriters @ ₹.2,100 each.
  - April 5 Sold on credit to Goyal & Co., 500 polyester sarees @ ₹.750 each.
  - April 10 Sold for cash to Garg & Co., Punjab 200 Kota sarees @ ₹. 300 each.

- April 12 Returned to Goyal mills, Surat 50 polyester sarees @ ₹. 600 each.  
 April 22 Goyal & Co. became insolvent and paid only 80 paise in a rupee in full and final settlement.  
 April 24 Rent due to landlord, Ram ₹.600.

**OR**

Enter the following transactions in to proper Subsidiary books, post them into the ledger.  
 2019

- Jan 01 Mahapatra started business with cash ₹.1,80,000  
 Jan 04 Goods purchased from Tara for ₹. 22,400  
 Jan 05 Goods purchased for cash ₹.30,000  
 Jan 08 Goods sold to Naman ₹.12,000 less 10% trade discount.  
 Jan 18 Furniture purchased for office use ₹.5,600  
 Jan 20 Naman returned goods of ₹.2,000 list price.  
 Jan 25 Rent due to landlord ₹.5,000  
 Jan 30 Sold goods for cash ₹.10,000  
 Jan 31 Salary paid ₹.5,000

32. Record the following transactions of Heena Garments, Assam into Purchase book and Sales Return book. 8

2019

- April 1 Purchased Readymade shirts from Monty of Delhi of the list price of ₹.80,000 less 10% trade discount plus IGST @ 12%.  
 April 3 Sold Ladies dresses for cash ₹.10,000  
 April 5 Sold Readymade pants to M/s Mintu, Assam for ₹.20,000 less trade discount 10% charged CGST and SGST @ 6% each.  
 April 10 Purchased Readymade dresses for children from Naina Ltd. Assam for ₹.30,000 less 15% trade discount plus CGST and SGST @ 6 % each. .  
 April 12 Sold to M/s. Minal ltd. 100 Sarees @ ₹.2,000 each less trade discount @ 10%.  
 April 15 M/s Mintu returned the Readymade pants to us for ₹. 2,000 gross price.  
 April 20 Returned to Naina Ltd. Assam Readymade dresses for children of ₹.5,000 invoice price.  
 April 25 M/s Minal Ltd. returned 10 Sarees @ ₹.2,000 each gross price.  
 April 27 Purchased from M/s Monecy, Goa 200 skirts @ ₹.500 each at IGST @ 12%.

**OR**

Record the following transactions of Hemant Ltd, Delhi into Sales book and Purchase Return book.

2019

- January 1 Purchased from M/s Linsu of Delhi  
 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 @ ₹.60 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.  
 January 22 Sold 50 A4 note books @ ₹.50 each to M/s Liya , Maharashtra plus IGST @ 12 %.  
 January 25 Returned 25 Registers @ ₹.100 each to M/s Pritty