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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 qualitative characteristic of accounting information? 1
 - a) Reliability
 - b) Understand ability
 - c) Comparability
 - d) Materiality

2. Match the following: 1

	A		B
1	Debentures	A	Fictitious assets
2	Trademark	B	Current Liabilities
3	Creditors	C	Intangible fixed assets
4	Deferred revenue expenditure	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 external user of accounting information is most interested in knowing the long-term solvency position of the firm? 1
 - a) Employees
 - b) Management
 - c) Bank and Financial Institutions
 - d) Researchers
6. A person to whom money is owed by a firm for purchase of goods is called a _____. 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? 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 Legal position. 1
13. _____ is a source document for having deposits made in the bank. 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 ₹.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 1
 - a) ₹.50,000 b) ₹.49,400
 - c) ₹.50,600 d) ₹.46,600
17. Define a cheque. 1
18. Depreciation arises because of 1
 - a) Wear and tear b) Inflation
 - c) Fall in the value of the asset d) None of these
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 three Fundamental accounting assumptions or concepts. 3

OR

Explain any three Accounting principles.

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. Define Accounting information. Explain any three internal users of Accounting information. 4

OR

Discuss in brief the functions of Accounting information.

24. Pass the Journal entries for the following transactions: 4
- Sold goods to Veera for ₹.2,40,000 plus IGST @ 18% at 10% trade discount and 3% cash discount. Half the amount paid at the time of purchase.
 - Kanishk is declared insolvent. Received from his Official Receiver 75paise in a rupee on debt of ₹.1,50,000.
 - Wages paid for installation of a Machinery ₹.30,000.
 - Accrued Income ₹.50,000.
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 31st 4
- March 2019:
- 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
- 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.
 - 1/3rd of the above goods sold at a profit of 10% on cost and half the payment is received in cash.
 - 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 30th 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 30th September 2018, but no entry for dishonor was passed in Cash Book.
 - 3) Bank had debited ₹. 5,600 as interest on overdraft up to 30th 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 30th 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 30th 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 30th September, 2018.

30. Following are the balances as on 1st 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 1st April 2013 for ₹. 50,000 was sold on 1st October 2015 for ₹. 30,000. Prepare Machinery a/c, Machinery Disposal a/c and Provision for depreciation a/c for the year ended 31st March 2016.

OR

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

Machinery a/c ₹. 4,00,000

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

On 1st July, 2018 machinery which was purchased on 1st 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 31st 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 Moncy, 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