

**INDIAN SCHOOL MUSCAT
FINAL EXAMINATION 2023
ACCOUNTANCY (055)**

CLASS:XI

Max. Marks:

QN. NO	VALUE POINTS	MAR KS SPLI T UP
1	(a) Summarising OR (b) Replaces Memory	1
2	(d) Stock and Cash in Hand OR (c) Not recognised by Companies Act, 2013.	1
3	(a) Going Concern Concept	1
4	(c) Integrated GST	1
5	(b) Reliability	1
6	(d) ₹ 12,000 overdraft OR (c) ₹ 500 will be added to the balance as per cash book.	1
7	(a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)	1
8	(a) Depreciation A/c Dr. To Provision for Depreciation A/c OR (c) ₹ 12,000	1
9	(a) ₹ 22,500	1
10	(c) Principle	1
11	(b) Entering transactions in Ledger	1
12	(b) ₹ 4,00,000	1
13	(a) Profit and Loss A/c OR (c) Opening Stock	1
14	(c) Direct Expenses OR (b) Profit and Loss Account	1
15	(c) As deduction from Capital in the Balance Sheet	1
16	(d) A list of assets, liabilities and capital of a business at a certain date.	1

17	(d) Cost or Net Realisable Value, whichever is less OR (d) Gross Profit – Administrative, Selling and Other Expenses = Net Profit	1																														
18	(c) ₹ 36,000	1																														
19	(c) (ii), (i), (iv), (iii)	1																														
20	(d) ₹ 450	1																														
21	Goods and Services Tax is a comprehensive indirect tax levied at the prescribed rate each time the supply is made of goods and/or services or both by the taxpayers registered under GST. Characteristics of GST (i) It is a Comprehensive Indirect Tax (ii) It is a Value Added Tax (Explain. Any other relevant point is acceptable) (1 mark for Definition + 2 marks for characteristics)	3																														
22	Closing Capital = Closing Assets – Closing Liabilities = ₹ 9,00,000 – [₹ 1,50,000 (Loan) + ₹ 30,000 (Creditors)] = ₹ 7,20,000 (1½ marks) Profit = Closing Capital – Opening Capital = ₹ 7,20,000 - ₹ 4,50,000 = ₹ 2,70,000 (1½ marks)	3																														
23	<table><tr><th colspan="6">Purchases Return Book of Sri Gopal</th></tr><tr><th>Date</th><th></th><th>Debit Note No</th><th>L.F</th><th>Details ₹</th><th>Amount ₹</th></tr><tr><td>2021 Apr15</td><td>Ram Prakash & Sons Less: Trade Discount @ 10%</td><td></td><td></td><td>20,000 2,000 <u>18,000</u></td><td>18,000</td></tr><tr><td>Apr20</td><td>Govind</td><td></td><td></td><td>15,000</td><td>15,000</td></tr><tr><td>Apr30</td><td>Purchases Return A/c Cr.</td><td></td><td></td><td></td><td><u>33,000</u></td></tr></table> (1 mark x 3 amounts)	Purchases Return Book of Sri Gopal						Date		Debit Note No	L.F	Details ₹	Amount ₹	2021 Apr15	Ram Prakash & Sons Less: Trade Discount @ 10%			20,000 2,000 <u>18,000</u>	18,000	Apr20	Govind			15,000	15,000	Apr30	Purchases Return A/c Cr.				<u>33,000</u>	3
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24	(a) Geet would create provisions to meet anticipated or known losses and liabilities (1 mark) (b) In the balance sheet, the amount of provision should be shown by Geet as (i) By way of deduction from the concerned asset on the assets side or (ii) On the liabilities side of the balance sheet along with current liabilities. (½ mark x 2) (c) General Reserve (1 mark) OR (a) Differentiate between Reserve and Provision on the basis of Nature and Presentation. <table><tr><th>Basis</th><th>Reserve</th><th>Provision</th></tr><tr><td>Nature</td><td>It is an appropriation of profit.</td><td>It is a charge against profit.</td></tr><tr><td>Presentation</td><td>A reserve is shown on the liabilities side of Balance Sheet under the head ‘Reserves and Surplus.’</td><td>It is shown either as a liability under the head ‘Current Liabilities’ or as deductions from the Asset.</td></tr></table> (1 mark x 2) (b) Secret Reserve is one whose existence and/or the amount of which is not disclosed in the balance sheet. (1 mark)	Basis	Reserve	Provision	Nature	It is an appropriation of profit.	It is a charge against profit.	Presentation	A reserve is shown on the liabilities side of Balance Sheet under the head ‘Reserves and Surplus.’	It is shown either as a liability under the head ‘Current Liabilities’ or as deductions from the Asset.	3																					
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25	(a)	Whitewash Expenses	Revenue Expenditure	3													
	(b)	Insurance premium paid to insure machinery at the time of its purchase	Capital Expenditure														
	(c)	Loss on Investments	Revenue Expenditure														
	(d)	₹ 5,000 spent on the overhaul of machine purchased second hand	Capital Expenditure														
	(e)	Paper purchased to use as stationery	Revenue Expenditure														
	(f)	Expenses incurred for purchase of Patents	Capital Expenditure														
26	Commission allowed on profit after charging such commission. Commission = Profit before charging such comm. x Rate/ (100 + Rate) = ₹ 21,000 x 5/105 = ₹ 1,000 (1 mark) Dr. Profit & Loss A/c for the yr. ended 31 st March, 2021 Cr.				3												
	<table><tr><td>Particulars</td><td></td><td></td><td>Particulars</td><td></td><td></td></tr><tr><td>To Manager's Commission</td><td></td><td>1,000</td><td></td><td></td><td></td></tr></table>				Particulars			Particulars			To Manager's Commission		1,000				
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	Balance Sheet as at 31 st March, 2021																
	<table><tr><td>Liabilities</td><td></td><td></td><td>Assets</td><td></td><td></td></tr><tr><td>Manager's Commission O/S</td><td></td><td>1,000</td><td></td><td></td><td></td></tr></table>				Liabilities			Assets			Manager's Commission O/S		1,000				
	Liabilities			Assets													
	Manager's Commission O/S		1,000														
	(1 mark)																
27	(a)	Production Manager is interested in recording good industrial relations in the accounts.	Money Measurement Concept	4													
	(b)	One of the shareholders of the company has invested his savings in shares of another company.	Business Entity Concept														
	(c)	At the end of the accounting period, factory rent of the company is outstanding for ₹ 10,000.	Accrual Concept														
	(d)	A debtor who owes an amount to the company is likely to be declared insolvent.	Conservatism Concept														
	(Explain the concepts) (½ mark to Identify + ½ mark for Explanation)																
28	Transactions		Assets				=	Liabilities + Capital	4								
			Cash	Bank	Stock	Machinery	Furniture	Debtors	Capital								
	(a) Started business		50,000	1,00,000	60,000	1,00,000	50,000	-	3,60,000								
	(b) 1/3 rd goods sold		11,000	-	(20,000)	-	-	11,000	2,000								
	New Equation		61,000	1,00,000	40,000	1,00,000	50,000	11,000	3,62,000								
	(c) Dep. On Machinery		-	-	-	(10,000)	-	-	(10,000)								
	New Equation		61,000	1,00,000	40,000	90,000	50,000	11,000	3,52,000								
	(d) Cash W/D		(10,000)	-	-	-	-	-	(10,000)								
	Final Equation		51,000	1,00,000	40,000	90,000	50,000	11,000	3,42,000								
	OR																
	Dr. Double Column Cash Book Cr.																
	Date	Particulars		Cash	Bank	Date	Particulars		Cash	Bank							
	2021					2021											
	1/3	To Balance b/d		12,750	72,400	7/9	By Salary		-	25,600							
	4/3	To Asha		1,200	3,200	9/3	By Cash	c	-	21,900							
	9/3	To Bank	c	21,900	-	16/3	By Furniture		16,500	-							
12/3	To Interest		-	1,200	21/3	By Mohan		-	10,900								
29/3	To Sales		14,800	-	24/3	By Drawings		11,600	-								
31/3	To Cash	c	-	21,200	31/3	By Bank	c	21,200	-								
					31/3	By Balance c/d		1,350	39,600								
			50,650	98,000				50,650	98,000								
1/4	To Balance b/d		50,650	98,000													
(1/4 th mark x 16 = 4)																	

29	Trading Account Dr. for the year ended 31 st March, 2022 Cr.				4																																															
<table><tr><td colspan="2">Particulars</td><td>₹</td><td colspan="2">Particulars</td><td>₹</td></tr><tr><td colspan="2">To Opening Stock</td><td>1,00,000</td><td colspan="2">By Sales</td><td>3,83,250</td></tr><tr><td colspan="2">To Purchases</td><td>2,80,000</td><td colspan="2">By Closing Stock</td><td>80,000</td></tr><tr><td colspan="2">To Wages</td><td>2,000</td><td colspan="2"></td><td></td></tr><tr><td colspan="2">To Freight Inwards</td><td>3,600</td><td colspan="2"></td><td></td></tr><tr><td colspan="2">To Carriage Inwards</td><td>1,000</td><td colspan="2"></td><td></td></tr><tr><td colspan="2">To Gross Profit transferred to Profit & Loss A/c</td><td>76,650</td><td colspan="2"></td><td></td></tr><tr><td colspan="2"></td><td>4,63,250</td><td colspan="2"></td><td>4,63,250</td></tr></table> <p style="text-align: right;">((½ mark x 8))</p>					Particulars		₹	Particulars		₹	To Opening Stock		1,00,000	By Sales		3,83,250	To Purchases		2,80,000	By Closing Stock		80,000	To Wages		2,000				To Freight Inwards		3,600				To Carriage Inwards		1,000				To Gross Profit transferred to Profit & Loss A/c		76,650						4,63,250			4,63,250
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30	Journal Entries				4																																															
<table><tr><td>Date</td><td>Particulars</td><td>L.F</td><td>Dr. ₹</td><td>Cr. ₹</td></tr><tr><td>(a)</td><td>Charity A/c Dr. To Purchases A/c</td><td></td><td>5,000</td><td>5,000</td></tr><tr><td>(b)</td><td>Bank A/c Dr. Madhav's A/c Dr. To Sales A/c</td><td></td><td>25,000 75,000</td><td>1,00,000</td></tr><tr><td>(c)</td><td>Cash A/c Dr. Discount Allowed A/c Dr. To Hiren's A/c</td><td></td><td>9,750 250</td><td>10,000</td></tr><tr><td>(d)</td><td>Cash A/c Dr. Bad Debt A/c Dr. To Rajan's A/c</td><td></td><td>6,000 4,000</td><td>10,000</td></tr><tr><td>(e)</td><td>Drawing A/c Dr. To Interest on Drawings A/c</td><td></td><td>1,500</td><td>1,500</td></tr><tr><td>(f)</td><td>Drawings A/c Dr. To Cash a/c</td><td></td><td>15,000</td><td>15,000</td></tr></table> <p>(Give relevant narration) (1 mark x 6)</p>					Date	Particulars	L.F	Dr. ₹	Cr. ₹	(a)	Charity A/c Dr. To Purchases A/c		5,000	5,000	(b)	Bank A/c Dr. Madhav's A/c Dr. To Sales A/c		25,000 75,000	1,00,000	(c)	Cash A/c Dr. Discount Allowed A/c Dr. To Hiren's A/c		9,750 250	10,000	(d)	Cash A/c Dr. Bad Debt A/c Dr. To Rajan's A/c		6,000 4,000	10,000	(e)	Drawing A/c Dr. To Interest on Drawings A/c		1,500	1,500	(f)	Drawings A/c Dr. To Cash a/c		15,000	15,000													
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31	Bank Reconciliation Statement As on June 30, 2022				6																																															
<table><tr><td></td><td>Particulars</td><td>Plus Item(₹)</td><td>Minus Item(₹)</td></tr><tr><td></td><td>Favourable balance as per Pass Book (Dr.)</td><td>9,214</td><td></td></tr><tr><td>(a)</td><td>Bank credited in error</td><td></td><td>1,650</td></tr><tr><td>(b)</td><td>Cheques issued but not cleared</td><td></td><td>4,500</td></tr><tr><td>(c)</td><td>Hire purchase payment made by bank</td><td>950</td><td></td></tr><tr><td>(d)</td><td>Cheques credited by bank but recorded in the cash column</td><td></td><td>600</td></tr><tr><td>(e)</td><td>Cheques deposited but not cleared</td><td>2,500</td><td></td></tr><tr><td></td><td>Balance as per Cash Book (Cr.)</td><td>5,915</td><td></td></tr><tr><td></td><td></td><td>12,664</td><td>12,664</td></tr></table> <p>(1 mark for each entry + ½ mark each for both the balances)</p>						Particulars	Plus Item(₹)	Minus Item(₹)		Favourable balance as per Pass Book (Dr.)	9,214		(a)	Bank credited in error		1,650	(b)	Cheques issued but not cleared		4,500	(c)	Hire purchase payment made by bank	950		(d)	Cheques credited by bank but recorded in the cash column		600	(e)	Cheques deposited but not cleared	2,500			Balance as per Cash Book (Cr.)	5,915				12,664	12,664												
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32	Machine Account				6																																															
<table><tr><td colspan="2">Dr.</td><td colspan="2">Cr.</td></tr><tr><td>Date</td><td>Particulars</td><td>₹</td><td>Date</td><td>Particulars</td><td>₹</td></tr><tr><td>2020 Apr1</td><td>To Balance b/d</td><td>80,000</td><td>2020 Apr1 2021 Mar31</td><td>By Machine Disposal A/c</td><td>16,000</td></tr><tr><td></td><td></td><td></td><td></td><td>By Balance c/d</td><td>64,000</td></tr><tr><td></td><td></td><td>80,000</td><td></td><td></td><td>80,000</td></tr></table> <p>Dr. Provision for Depreciation Account Cr.</p> <table><tr><td>Date</td><td>Particulars</td><td>₹</td><td>Date</td><td>Particulars</td><td>₹</td></tr></table>					Dr.		Cr.		Date	Particulars	₹	Date	Particulars	₹	2020 Apr1	To Balance b/d	80,000	2020 Apr1 2021 Mar31	By Machine Disposal A/c	16,000					By Balance c/d	64,000			80,000			80,000	Date	Particulars	₹	Date	Particulars	₹														
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		80,000			80,000																																															
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	2020 Apr1 2021 Mar31	To Machine Disposal A/c To Balance c/d	6,400 36,000 42,400	2020 Apr1 2021 Mar31	By Balance b/d By Dep. - unsold	36,000 6,400 42,400
	Dr. Machine Disposal Account Cr.					
	Date	Particulars	₹	Date	Particulars	₹
	2020 Apr1	To Machine A/c	16,000	2020 Apr1	By Prov. For Dep. A/c By Bank- Sale Value By Statement of P & L- Loss	6,400 8,700 900
			16,000			16,000
	(½ mark x 12)					
	OR					
	Priyam Bros.					
	Dr. Machinery Account Cr.					
	Date	Particulars	₹	Date	Particulars	₹
2020 Apr 1	To Balance b/d	20,00,000	2020 Apr1	By Bank A/c – Sales By Statement of P&L- Loss By Prov. for Dep. A/c	5,00,000 25,000 2,25,000	
			2021 Mar31	By Balance c/d	12,50,000	
		20,00,000			20,00,000	
(3 marks)						
Dr. Provision for Depreciation Account Cr.						
Date	Particulars	₹	Date	Particulars	₹	
2020 Apr1 2021 Mar31	To Machinery A/c To Balance c/d	2,25,000 7,00,000 9,25,000	2020 Apr1 2021 Mar31	By Balance b/d By Depreciation - unsold	8,00,000 1,25,000 9,25,000	
(3 marks)						
33	Rectifying Journal Entries					6
	Date	Particulars	L.F	Dr. Amount	Cr. Amount	
	(a)	Suspense A/c Dr. To Ravish		2,000	2,000	
	(b)	Suspense A/c Dr. To Sales Return A/c		1,000	1,000	
	(c)	Suspense A/c Dr. To Sales A/c		10,000	10,000	
	(d)	Purchase A/c Dr. Sales A/c Dr. To Suspense A/c		7,000 7,000	14,000	
	(e)	Machinery A/c Dr. To Purchase A/c To Suspense A/c		10,000	5,000 5,000	
	(Give necessary narration)					
	Dr. Suspense Account Cr.					
	Particulars		Particulars			
To difference as per Trial Bal.	6,000	By Purchase	7,000			
To Ravish	2,000	By Sales A/c	7,000			
To Sales Return A/c	1,000	By Machinery A/c	5,000			

	To Sales A/c		10,000				
			19,000			19,000	
(1 mark x 5 entries + 1 mark for Suspense A/c)							
34	Balance Sheet as at 31 st March, 2021						6
Liabilities			Assets				
Capital 1,00,000			Machinery			72,000	
Add: Net Profit 49,653			Furniture 5,000				
Less: Drawings (IT) (5,500)		1,44,153	Less: Depreciation 450			4,550	
Sundry Creditors		13,000	Loan to Param			5,000	
Bills Payable		1,600	Accr. Interest on Loan to Param			200	
Rent Outstanding		600	Sundry Debtors 28,000				
Comm. received in advance		3,000	(-) Further Bad Debt 500				
Outstanding Salaries		1,000	27,500				
			(-) New PBDD 1,375				
			(-) Prov for Dis on Drs. 522			25,603	
			Bills Receivable			6,000	
			Closing Stock			30,000	
			Cash in Hand			20,000	
		1,63,353				1,63,353	
OR							
Profit and Loss Account of Swayam Verma							
for the year ended 31 st March, 2021							
Dr.						Cr.	
Particulars		₹		Particulars		₹	
To Advertising 3,500				By G.P b/d		27,200	
Add: O/S <u>500</u>		4,000		By Discount		500	
To Interest on Loan 300				By Rent		300	
Add: O/S <u>80</u>		380				500	
To General Expenses		3,400					
To Bad Debt 500							
Add: Further B/D <u>500</u>							
Add: PBDD 1,950							
2,950							
Less: Old PBDD <u>700</u>		2,250					
To Carriage Outwards		2,500					
To Salaries		5,000					
To Rent & Ins. 3,000							
Less: Prepaid <u>1,000</u>		2,000					
To N.P		8,970					
		28,500				28,500	
(½ mark x 12)							