

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

CLASS: XI

Max. Marks:

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

	(d) Gross Profit – Administrative, Selling and Other Expenses = Net Profit					
17	(d) ₹ 450					1
18	(c) (ii), (i), (iv), (iii)					1
19	(c) ₹ 36,000					1
20	(d) A list of assets, liabilities and capital of a business at a certain date.					1
21	Closing Capital = Closing Assets – Closing Liabilities = ₹ 4,50,000 – [₹ 75,000 (Loan) + ₹ 15,000 (Creditors)] = ₹ 3,60,000 (1½ marks)  Profit = Closing Capital – Opening Capital = ₹ 3,60,000 - ₹ 2,25,000 = ₹ 1,35,000 (1½ marks)					3
22	Purchases Return Book of Sri Gopal					3
	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>
	(1 mark x 3 amounts)					
23	(a)	Computer purchased for resale.			Revenue Expenditure	3
	(b)	₹ 1,500 spent on repairs of machine			Revenue Expenditure	
	(c)	Expenses incurred to get the manager’s office air conditioned			Capital Expenditure	
	(d)	Brokerage paid in connection with purchase of land			Capital Expenditure	
	(e)	Depreciation on Fixed Assets			Revenue Expenditure	
	(f)	Wages paid for installation of new machine			Capital Expenditure	
24	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
25	Commission allowed on profit after charging such commission. Commission = Profit before charging such comm. x Rate/ (100 + Rate) = ₹ 42,000 x 5/105 = ₹ 2,000 (1 mark) Dr. Profit & Loss A/c for the yr. ended 31 <sup>st</sup> March, 2021 Cr.					3
	Particulars			Particulars		

	<table><tr><td>To Manager's Commission</td><td>2,000</td></tr></table> <p>(1 mark)</p> <p>Balance Sheet as at 31<sup>st</sup> March, 2021</p> <table><tr><td>Liabilities</td><td>Assets</td></tr><tr><td>Manager's Commission O/S</td><td>2,000</td></tr></table> <p>(1 mark)</p>	To Manager's Commission	2,000	Liabilities	Assets	Manager's Commission O/S	2,000																																																																																																																																																											
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26	<p>(a) Geet would create provisions to meet anticipated or known losses and liabilities (1 mark)</p> <p>(b) In the balance sheet, the amount of provision should be shown by Geet as</p> <p>(i) By way of deduction from the concerned asset on the assets side or</p> <p>(ii) On the liabilities side of the balance sheet along with current liabilities. (½ mark x 2)</p> <p>(c) General Reserve (1 mark)</p> <p>OR</p> <p>(a) Differentiate between Reserve and Provision on the basis of Nature and Presentation.</p> <table><tr><td>Basis</td><td>Reserve</td><td>Provision</td></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> <p>(1 mark x 2)</p> <p>(b) Secret Reserve is one whose existence and/or the amount of which is not disclosed in the balance sheet. (1 mark)</p>	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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27	<table><tr><td rowspan="2">Transactions</td><td colspan="6">Assets</td><td>=</td><td>Liabilities + Capital</td></tr><tr><td>Cash</td><td>Bank</td><td>Stock</td><td>Machinery</td><td>Furniture</td><td>Debtors</td><td>Capital</td></tr><tr><td>(a) Started business</td><td>50,000</td><td>1,00,000</td><td>60,000</td><td>1,00,000</td><td>50,000</td><td>-</td><td>3,60,000</td></tr><tr><td>(b) 1/3<sup>rd</sup> goods sold</td><td>11,000</td><td>-</td><td>(20,000)</td><td>-</td><td>-</td><td>11,000</td><td>2,000</td></tr><tr><td><b>New Equation</b></td><td><b>61,000</b></td><td><b>1,00,000</b></td><td><b>40,000</b></td><td><b>1,00,000</b></td><td><b>50,000</b></td><td><b>11,000</b></td><td><b>3,62,000</b></td></tr><tr><td>(c) Dep. On Machinery</td><td>-</td><td>-</td><td>-</td><td>(10,000)</td><td>-</td><td>-</td><td>(10,000)</td></tr><tr><td><b>New Equation</b></td><td><b>61,000</b></td><td><b>1,00,000</b></td><td><b>40,000</b></td><td><b>90,000</b></td><td><b>50,000</b></td><td><b>11,000</b></td><td><b>3,52,000</b></td></tr><tr><td>(d) Cash W/D</td><td>(10,000)</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>(10,000)</td></tr><tr><td><b>Final Equation</b></td><td><b>51,000</b></td><td><b>1,00,000</b></td><td><b>40,000</b></td><td><b>90,000</b></td><td><b>50,000</b></td><td><b>11,000</b></td><td><b>3,42,000</b></td></tr></table> <p>OR</p> <p>Dr. Double Column Cash Book Cr.</p> <table><tr><td>Date</td><td>Particulars</td><td>Cash</td><td>Bank</td><td>Date</td><td>Particulars</td><td>Cash</td><td>Bank</td></tr><tr><td>2021</td><td></td><td></td><td></td><td>2021</td><td></td><td></td><td></td></tr><tr><td>1/3</td><td>To Balance b/d</td><td>12,750</td><td>72,400</td><td>7/9</td><td>By Salary</td><td>-</td><td>25,600</td></tr><tr><td>4/3</td><td>To Asha</td><td>1,200</td><td>3,200</td><td>9/3</td><td>By Cash</td><td>-</td><td>21,900</td></tr><tr><td>9/3</td><td>To Bank</td><td>21,900</td><td>-</td><td>16/3</td><td>By Furniture</td><td>16,500</td><td>-</td></tr><tr><td>12/3</td><td>To Interest</td><td>-</td><td>1,200</td><td>21/3</td><td>By Mohan</td><td>-</td><td>10,900</td></tr><tr><td>29/3</td><td>To Sales</td><td>14,800</td><td>-</td><td>24/3</td><td>By Drawings</td><td>11,600</td><td>-</td></tr><tr><td>31/3</td><td>To Cash</td><td>-</td><td>21,200</td><td>31/3</td><td>By Bank</td><td>21,200</td><td>-</td></tr><tr><td></td><td></td><td></td><td></td><td>31/3</td><td>By Balance c/d</td><td>1,350</td><td>39,600</td></tr><tr><td></td><td></td><td><b>50,650</b></td><td><b>98,000</b></td><td></td><td></td><td><b>50,650</b></td><td><b>98,000</b></td></tr><tr><td>1/4</td><td>To Balance b/d</td><td>50,650</td><td>98,000</td><td></td><td></td><td></td><td></td></tr></table> <p>(1/4<sup>th</sup> mark x 16 = 4)</p>	Transactions	Assets						=	Liabilities + Capital	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 <sup>rd</sup> goods sold	11,000	-	(20,000)	-	-	11,000	2,000	<b>New Equation</b>	<b>61,000</b>	<b>1,00,000</b>	<b>40,000</b>	<b>1,00,000</b>	<b>50,000</b>	<b>11,000</b>	<b>3,62,000</b>	(c) Dep. On Machinery	-	-	-	(10,000)	-	-	(10,000)	<b>New Equation</b>	<b>61,000</b>	<b>1,00,000</b>	<b>40,000</b>	<b>90,000</b>	<b>50,000</b>	<b>11,000</b>	<b>3,52,000</b>	(d) Cash W/D	(10,000)	-	-	-	-	-	(10,000)	<b>Final Equation</b>	<b>51,000</b>	<b>1,00,000</b>	<b>40,000</b>	<b>90,000</b>	<b>50,000</b>	<b>11,000</b>	<b>3,42,000</b>	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	-	21,900	9/3	To Bank	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	-	21,200	31/3	By Bank	21,200	-					31/3	By Balance c/d	1,350	39,600			<b>50,650</b>	<b>98,000</b>			<b>50,650</b>	<b>98,000</b>	1/4	To Balance b/d	50,650	98,000					4
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28	<p>Trading Account for the year ended 31<sup>st</sup> March, 2022</p> <p>Dr. Cr.</p> <table><tr><td>Particulars</td><td>₹</td><td>Particulars</td><td>₹</td></tr><tr><td>To Opening Stock</td><td>2,00,000</td><td>By Sales</td><td>7,66,500</td></tr><tr><td>To Purchases</td><td>5,60,000</td><td>By Closing Stock</td><td>1,60,000</td></tr></table>	Particulars	₹	Particulars	₹	To Opening Stock	2,00,000	By Sales	7,66,500	To Purchases	5,60,000	By Closing Stock	1,60,000	4																																																																																																																																																				
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	To Wages To Freight Inwards To Carriage Inwards To Gross Profit transferred to Profit & Loss A/c		4,000 7,200 2,000 1,53,300			
			9,26,500			9,26,500
(½ mark x 8)						
29	(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)						
30	Bank Reconciliation Statement As on June 30, 2022					4
		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		
(1 mark for each entry + ½ mark each for both the balances)						
31	Dr. Machine Account Cr.					6
	Date	Particulars	₹	Date	Particulars	₹
	2020 Apr1	To Balance b/d	80,000	2020 Apr1	By Machine Disposal A/c	16,000
				2021 Mar31	By Balance c/d	64,000
			80,000			80,000
Dr. Provision for Depreciation Account Cr.						
	Date	Particulars	₹	Date	Particulars	₹
	2020 Apr1	To Machine Disposal A/c	6,400	2020 Apr1	By Balance b/d	36,000
	2021 Mar31	To Balance c/d	36,000	2021 Mar31	By Dep. - unsold	6,400
			42,400			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	6,400
					By Bank- Sale Value	8,700
					By Statement of P & L- Loss	900
			16,000			16,000
(½ mark x 12)						
OR						

	Priyam Bros.						
	Machinery Account						
	Dr.			Cr.			
	Date	Particulars	₹	Date	Particulars	₹	
	2020 Apr 1	To Balance b/d	20,00,000	2020 Apr1	By Bank A/c – Sales	5,00,000	
					By Statement of P&L- Loss	25,000	
					By Prov. for Dep. A/c	2,25,000	
				2021 Mar31	By Balance c/d	12,50,000	
			20,00,000			20,00,000	
	(3 marks)						
	Provision for Depreciation Account						
	Dr.			Cr.			
	Date	Particulars	₹	Date	Particulars	₹	
	2020 Apr1	To Machinery A/c	2,25,000	2020 Apr1	By Balance b/d	8,00,000	
	2021 Mar31	To Balance c/d	7,00,000	2021 Mar31	By Depreciation - unsold	1,25,000	
			9,25,000			9,25,000	
	(3 marks)						
32	Rectifying Journal Entries						6
	Date	Particulars	L.F	Dr. Amount	Cr. Amount		
	(a)	Suspense A/c To Ravish	Dr.	2,000	2,000		
	(b)	Suspense A/c To Sales Return A/c	Dr.	1,000	1,000		
	(c)	Suspense A/c To Sales A/c	Dr.	10,000	10,000		
	(d)	Purchase A/c Sales A/c To Suspense A/c	Dr. Dr.	7,000 7,000	14,000		
	(e)	Machinery A/c To Purchase A/c To Suspense A/c	Dr.	10,000	5,000 5,000		
	(Give necessary narration)						
	Suspense Account						
	Dr.			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)						
33	Balance Sheet as at 31 <sup>st</sup> 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 Bills Receivable 6,000 Closing Stock 30,000 Cash in Hand 20,000	
		<b>1,63,353</b>		<b>1,63,353</b>
OR				
Profit and Loss Account of Swayam Verma				
for the year ended 31 <sup>st</sup> March, 2021				
Dr.				Cr.
Particulars	₹	Particulars	₹	
To Advertising 3,500		By G.P b/d 27,200		
Add: O/S 500	4,000	By Discount 500		
To Interest on Loan 300		By Rent 300		
Add: O/S 80	380		500	
To General Expenses	3,400			
To Bad Debt 500				
Add: Further B/D 500				
Add: PBDD 1,950				
	2,950			
Less: Old PBDD 700	2,250			
To Carriage Outwards	2,500			
To Salaries	5,000			
To Rent & Ins. 3,000				
Less: Prepaid 1,000	2,000			
To N.P	8,970			
	28,500		28,500	
(½ mark x 12)				
34	Journal Entries			
	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
(Give relevant narration)			(1 mark x 6)	