

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

CLASS: XI

Max. Marks:

QN. NO	VALUE POINTS	MAR KS SPLI T UP
1	(d) ₹ 12,000 overdraft OR (c) ₹ 500 will be added to the balance as per cash book.	1
2	(a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)	1
3	(c) Integrated GST	1
4	(b) Reliability	1
5	(a) Going Concern Concept	1
6	(a) Summarising OR (b) Replaces Memory	1
7	(d) Stock and Cash in Hand OR (c) Not recognised by Companies Act, 2013.	1
8	(c) Principle	1
9	(b) Entering transactions in Ledger	1
10	(a) Depreciation A/c Dr. To Provision for Depreciation A/c OR (c) ₹ 12,000	1
11	(a) ₹ 22,500	1
12	(c) Direct Expenses OR (b) Profit and Loss Account	1
13	(c) As deduction from Capital in the Balance Sheet	1
14	(b) ₹ 4,00,000	1
15	(a) Profit and Loss A/c OR (c) Opening Stock	1
16	(c) ₹ 36,000	1

17				1
18	(d) A list of assets, liabilities and capital of a business at a certain date.			1
19	(d) Cost or Net Realisable Value, whichever is less OR (d) Gross Profit – Administrative, Selling and Other Expenses = Net Profit			1
20	(c) (ii), (i), (iv), (iii)			1
21	(a)	Expenses to move the stock of goods from one place to another	Revenue Expenditure	3
	(b)	Fees paid to lawyer to register the land purchased	Capital Expenditure	
	(c)	Purchase of machinery for production.	Capital Expenditure	
	(d)	Freight paid to bring new machine to the factory	Capital Expenditure	
	(e)	Expenses incurred for maintenance of fixed assets	Revenue Expenditure	
	(f)	Wages paid to workers	Revenue Expenditure	
22	Closing Capital = Closing Assets – Closing Liabilities = ₹ 18,00,000 – [₹ 3,00,000 (Loan) + ₹ 60,000 (Creditors)] = ₹ 14,40,000 (1½ marks) Profit = Closing Capital – Opening Capital = ₹ 14,40,000 - ₹ 9,00,000 = ₹ 5,40,000 (1½ marks)			3
23	(a) Geet would create provisions to meet anticipated or known losses and liabilities (1 mark)			3
	(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.			
	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.	
(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)				
24	Commission allowed on profit before charging such commission. Commission = Profit before charging such comm. x Rate/ 100 = ₹ 21,000 x 5/100 = ₹ 1,050 (1 mark)			3
	Dr. Profit & Loss A/c for the yr. ended 31 st March, 2021 Cr.			
	Particulars		Particulars	
	To Manager’s Commission	1,050		
	(1 mark)			
	Balance Sheet as at 31 st March, 2021			
	Liabilities		Assets	
	Manager’s Commission O/S	1,050		

	(1 mark)							
25	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)							
26	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	
27	Trading Account Dr. for the year ended 31 st March, 2022 Cr.						4	
	Particulars	₹	Particulars	₹				
	To Opening Stock	50,000	By Sales	1,91,625				
	To Purchases	1,40,000	By Closing Stock	40,000				
	To Wages	1,000						
	To Freight Inwards	1,800						
	To Carriage Inwards	500						
	To Gross Profit transferred to Profit & Loss A/c	38,325						
		2,31,625		2,31,625				
	(½ mark x 8)							
28	(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)							
29	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)											
30	Balance Sheet as at 31 st March, 2021										4
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 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)					
31	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)					
32	Bank Reconciliation Statement As on June 30, 2022					6
	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)					
33	Journal Entries					6
	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 To Interest on Drawings A/c	Dr.		1,500	1,500																																																																																																																																																																																																																																																													
	(f)	Drawings A/c To Cash a/c	Dr.		15,000	15,000																																																																																																																																																																																																																																																													
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