

ROLL NUMBER				
----------------	--	--	--	--

SET	A
-----	---



**INDIAN SCHOOL MUSCAT  
HALF YEARLY EXAMINATION 2022  
ACCOUNTANCY (055)**



CLASS : XI  
DATE: 28-11-2022

TIME ALLOTTED : 3 HRS.  
MAXIMUM MARKS: 80

**GENERAL INSTRUCTIONS:**

1. This question paper contains 34 questions. All questions are compulsory.
2. Questions 1 to 20 carries 1 mark each.
3. Questions 21 to 26 carries 3 marks each.
4. Questions from 27 to 29 carries 4 marks each
5. Questions from 30 to 34 carries 6 marks each
6. There is no overall choice. However, an internal choice has been provided in 7 questions of one mark, 2 questions of three marks, 1 question of four marks and 2 questions of six marks.

1. Assertion (A) Book keeping involves summarising the classified transactions in the form of profit and loss account and balance sheet. 1

Reason (R) Book keeping is an art of recording in books of accounts, the monetary aspect of commercial or financial transactions. It is concerned with record keeping maintenance of books of accounts.

- (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
- (b) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A)
- (c) Assertion (A) is false, but Reason (R) is true
- (d) Assertion (A) is true, but Reason (R) is false

2. Creditors of the business want to know: 1

- (a) Profitability of the business
- (b) What should be the capacity of the business to pay higher salaries
- (c) Creditworthiness of the business
- (d) Employment opportunities

**OR**

Which of the following is not a qualitative characteristic of accounting information?

- (a) Reliability
- (b) Understandability
- (c) Comparability
- (d) Materiality

3. The company follows the calendar year as accounting year. Which principle is highlighted in the fact that the firm divides the whole life of firm into small financial years? 1

- (a) Dual Aspect Principle
- (b) Materiality Principle
- (c) Accounting Entity Principle
- (d) Accounting Period Principle

(Signature)

OR

According to consistency concept, which of the following statements is correct?

- (i) Accounting principles should be changed year to year after benefit the organisation.
- (ii) Accounting principles or methods should remain same from year to year.
- (iii) Business firms can change accounting methods according to the changed circumstances of business.

- (a) Only (ii)
- (b) Only (iii)
- (c) Only (i) and (iii)
- (d) Only (ii) and (iii)

4. Which of the following is not a business transaction?

1

- (a) Withdrew ₹10,000 from business for personal use by the proprietor
- (b) Proprietor withdrew ₹20,000 from the Bank Account of the firm to pay the school fees of his son
- (c) Proprietor withdrew ₹12,000 from his personal account to pay the school fees of his son
- (d) Goods taken worth ₹3,000 for personal use

OR

Goods means

- (a) Items purchased for own consumption
- (b) Items purchased for donation
- (c) Items purchased for resale
- (d) Items purchased for use in business

5. There will be ..... by same amount, when building is purchased by paying the amount from bank account.

1

- (a) Increase in asset, increase in liabilities
- (b) Increase in asset, decrease in liabilities
- (c) Decrease in asset, decrease in liabilities
- (d) Decrease in one asset, increase in another asset

6. The Liabilities of a firm are ₹30,000; the capital of the proprietor is ₹70,000. The total assets are:

1

- (a) ₹70,000
- (b) ₹1,00,000
- (c) ₹40,000
- (d) ₹30,000

7. Consider the following statements with regard to the accounting treatment of various accounts:

1

- (i) Increase in asset is debited and decrease in asset is credited.
- (ii) Increase in expenses/losses is debited and decrease in expenses/ losses is credited.
- (iii) Increase in liabilities is credited and decrease in liabilities is debited.
- (iv) Increase in capital is credited and decrease in capital is debited.

Identify the correct statement/statements:

- (a) (i) and (ii)
- (b) (i), (iii) and (iv)
- (c) (i), (ii), (iii) and (iv)
- (d) (ii) and (iii)

8. Pick the odd one out in context to the Modern Approach of Debit and Credit:

1

- (a) Machinery (purchased)
- (b) Stationery (purchased)
- (c) Rent (paid)
- (d) Commission (Received)

OR

Sundry Creditors Account is a

- (a) Revenue Account
- (b) Capital Account
- (c) Liability Account
- (d) Expense Account

9. Anil purchased 1,000 Add Gel Roller Pens @ ₹ 50 each less Trade Discount of 20%. Purchases Account will be debited by 1
- (a) ₹ 50,000 (b) ₹ 40,000  
(c) ₹ 45,000 (d) ₹ 60,000

**OR**

Which of the following journal entry will be passed by a seller for allowing rebate on goods sold?

- (a) Rebate Allowed A/c Dr.  
To Purchaser A/c
- (b) Purchaser A/c Dr.  
To Rebate Allowed A/c
- (c) Seller A/c Dr.  
To Rebate Received A/c
- (d) Rebate Received A/c Dr.  
To Seller A/c
10. Dinesh who owed us ₹ 8,000 became insolvent and paid us 60% in full settlement. Posting will be made to Dinesh A/c: 1
- (a) ₹ 4,800 on Cr. side (b) ₹ 4,800 on Dr. side  
(c) ₹ 8,000 on Dr. side (d) ₹ 8,000 on Cr. side
11. Debit balance of a personal account means the person is a \_\_\_\_\_ of the firm whereas credit balance of a personal account indicates that the person is a \_\_\_\_\_ of the firm. 1
- (a) Owner, Creditor (b) Debtor, Owner  
(c) Creditor, Owner (d) Debtor, Creditor
12. Received ₹ 4,900 from Garima in full settlement of ₹ 5,000. Posting of ₹ 100 will be made to the: 1
- (a) Dr. side of Discount A/c (b) Cr. side of Discount A/c  
(c) Dr. side of Garima A/c (d) Cr. side of Garima A/c
13. Which of the following about cash book is not true? 1
- (a) It serves the purpose of both journal as well as the ledger (cash) account.  
(b) It is also called the book of original entry.  
(c) When a cash book is maintained, transactions of cash are not recorded in the journal, and no separate account for cash or bank is required in the ledger.  
(d) It records both cash and credit transactions.

**OR**

Withdrawal of Cash from Bank is recorded in

- (a) Debit of Bank column and Credit of Cash column  
(b) Debit of Cash column and Credit of Bank column  
(c) Debit of Cash column and also Credit of Cash column  
(d) Debit of Bank column and also Credit of Bank column
14. Given-Imprest amount = ₹ 10,000. What will be the amount of reimbursement, if following expenses were incurred by the petty cashier during the month? 1
- Wages = ₹ 1,900; Tiffin = ₹ 1,200; Small Repairs = ₹ 900; General Expenses = ₹ 450.
- (a) ₹ 1,900 (b) ₹ 2,100  
(c) ₹ 5,550 (d) ₹ 4,450

**Question No.s 15 and 16 are based on the hypothetical situation given below.**

Karim & Co., a saree dealer has the following transactions for the month of January.

Date	Particulars
Jan 4	Returned to Mohan Mills, Kerala, 10 polyester sarees @ ₹ 1,600 each. (-) Trade discount @ 10% (Debit note no. 101).
Jan 8	Srimala Mills, Kota accepted the returns of goods (which were purchased for cash) from us, 8 Kota sarees @ ₹ 640 each (Debit note no. 102).
Jan 12	Returned to Sonica Mills, Bombay, 12 silk sarees @ ₹ 1,040 each. (-) Trade discount @ 10% (Debit note no. 103).
Jan 30	Returned one typewriter (being defective) @ ₹ 7,200 to Vishaka & Co.

15. In which of the following books, will the return of Kota Sarees on 8th January be recorded? 1
- (a) Purchase Returns Book (b) Journal  
(c) Cash Book (d) Sales Return Book

16. What will be the total amount reflected in Purchase Returns Book as on 31st January? 1
- (a) ₹ 25,632 (b) ₹ 14,400  
(c) ₹ 11,232 (d) ₹ 28,480

17. On intra-state purchase of goods, which of the following accounts are debited? 1
- (a) Input IGST Account  
(b) Input CGST Account and Input SGST Account  
(c) Input IGST Account and Input CGST Account  
(d) Input IGST Account and Input SGST Account

**OR**

Identify the characteristic of GST from the following options.

- (a) It is a destination based tax  
(b) Eradicating cash economy  
(c) Uplifting GDP  
(d) Attracting Foreign Direct Investment
18. Cash and bank balance shows a debit of ₹ 10,000 and ₹ 15,000 respectively; ₹ 8000 is withdrawn from the bank for office use. Cash and bank balance after this transaction is \_\_\_\_\_ and \_\_\_\_\_ respectively. 1
- (a) ₹ 2000, ₹ 23000 (b) ₹ 18,000, ₹ 7,000  
(c) ₹ 18000, ₹ 23,000 (d) ₹ 10000, ₹ 7,000
19. Which of these accounts has debit balance? 1
- (a) Prepaid Insurance Premium (b) Bank Loan  
(c) Income received in advance (d) Creditors for goods
20. A sole trader took goods costing ₹ 10,000 from stock for his own use. The normal selling price of the goods is ₹ 15,000. Which of the following Journal Entries would correctly record this. 1
- (a) Drawings A/c Dr. 10,000  
To Purchases A/c 10,000
- (b) Drawings A/c Dr. 15,000  
To Sales A/c 15,000
- (c) Drawings A/c Dr. 15,000

To Purchases A/c                      15,000

(d) Sales A/c Dr.                      10,000  
    To Drawings A/c                      10,000

21. Explain the following: 3  
(i) Business Entity Concept  
(ii) Matching Concept  
(iii) Dual Aspect Concept

**OR**

Explain the following:  
(i) Money Measurement Concept  
(ii) Going Concern Concept  
(iii) Prudence Concept

22. Raj commenced business of Trading in electronic goods with capital of ₹15,00,000. Out of the said ₹15,00,000, he paid ₹10,00,000 for purchase of electronic goods. He further spent ₹2,00,000 on furnishing the shop and ₹35,000 for purchase of computer and printer. ₹10,000 is yet to be paid to supplier of computer. Looking into the response of customers, he decided to trade in home appliances also and further invested ₹5,00,000. He withdrew ₹30,000 during the year for his personal use. 3  
(a) What is the amount of capital invested in the business by Raj?  
(b) Define drawings and state the amount of drawings mentioned in the case above.  
(c) What is the amount invested by Raj in fixed assets?  
(d) Define the term 'Purchases'.

**OR**

State one difference between the following:  
(i) Non-Current Assets and Current Assets  
(ii) Non-Current Liabilities and Current Liabilities

23. Enter the following transactions in Neeraj's Account and balance the same. 3  
2019  
June 7      Bought goods from Neeraj, Nagpur on credit.                      ₹ 1,20,000  
June 19      Paid to Neeraj in cash on Account.                                      80,000  
June 23      Goods returned to Neeraj    20,000  
June 27      Paid to Neeraj by cheque in full settlement.                              19,000

24. On 31<sup>st</sup> March, 2022, the total Assets and External Liabilities were ₹1,00,000 and ₹3,000 respectively. During the year the proprietor had introduced additional capital of ₹ 10,000 and had withdrawn ₹ 6,000 for personal use. He made a profit of ₹ 10,000 during the year. Calculate the capital as on 1<sup>st</sup> April, 2021. 3

25. Pass the Journal Entries for the following transactions. 3  
(i) Sold goods to Abhay, Lucknow (UP) for ₹2,00,000 less 10% Trade Discount plus IGST @ 18%. Received half the amount by cheque immediately and allowed 2% Cash Discount.  
(ii) Purchased goods from Hemant of ₹1,00,000 less 10% Trade Discount plus CGST and SGST @ 9% each. Paid by cheque immediately and availed 2% Cash Discount.

26. Classify the following accounts into Personal, Real and Nominal Accounts. 3
- |                          |                           |
|--------------------------|---------------------------|
| (i) Drawings             | (ii) Discount Received    |
| (iii) Leasehold Property | (iv) Goodwill             |
| (v) Bad Debts Recovered  | (vi) Outstanding Salaries |

27. Explain any four Advantages of Accounting. 4

**OR**

Discuss any four Limitations of Accounting.

28. Prepare an Analytical Petty Cash Book from the following: 4

2022	₹
Jan1 Received ₹16,000 for petty cash	
Jan2 Paid bus fare	100
Jan2 Paid cartage	500
Jan3 Paid postage	1,000
Jan4 Paid for stationery	800
Jan4 Paid auto charges	400
Jan5 Paid cartage	800
Jan6 Paid postage	1,400
Jan6 Paid conveyance charges	600
Jan6 Paid for refreshment to customers	1,000

29. From the following list of balances, prepare a Trial Balance. 4

	₹
Capital A/c	2,00,000
Debtors A/c	30,000
Fixed Assets A/c	1,92,000
Sales A/c	1,10,000
Returns Outward A/c	1,000
Bills Payable A/c	8,000
Bank Overdraft A/c	11,000
Opening Stock A/c	15,000
Creditors A/c	30,000
Purchases A/c	70,000
Returns Inward A/c	2,000
Wages and Salaries A/c	30,000
Bills Receivables A/c	15,000
Rent A/c	6,000

30. (a) Define Cash Basis of Accounting and Accrual Basis of Accounting. 6  
Also state four differences between Cash Basis of Accounting and Accrual Basis of Accounting.

**OR**

- (a) Define 'Internal User' and 'External User' of Accounting Information.  
(b) State why the following users need Accounting Information.
- (i) Owners
  - (ii) Management
  - (iii) Banks and Financial Institutions
  - (iv) Government and its Authorities

31. Prepare Accounting Equation of the following transactions.

6

	₹
1 Mahira started business with cash.	1,00,000
Opened a Bank Account and transferred ₹ 4,00,000 from her Savings Account.	
2 Purchased a Machinery from Sailesh for ₹ 12,00,000 paid by taking a loan from SBI.	10,00,000
3 Paid interest on loan ₹ 20,000 and instalment of ₹ 1,00,000.	
4 Purchased goods from Raman on credit.	1,00,000
5 Sold goods costing ₹ 40,000 for ₹ 50,000 on cash to Ramesh.	
6 Accrued Interest	5,000
Commission received in advance	20,000

32. Pass Journal Entries for the following

6

- Out of the rent paid for this year ₹ 20,000 relates to the next year.
- Goods used for making furniture (Sale Value ₹ 20,000; Cost ₹ 15,000)
- Provide 10% depreciation on machinery costing ₹ 1,00,000.
- Charge Interest on Drawings ₹ 6,000.
- Goods destroyed by fire (Sales Price ₹ 50,000, Cost ₹ 40,000)
- Brick, cement etc. for ₹2,00,000 and Timber for ₹1,50,000 purchased for the renovation of building. Payment made by cheque.

OR

Pass Journal Entries for the following

- Samar is declared insolvent. Received from his Official Receiver 60 paise in a rupee on a debt of ₹50,000.
- Goods purchased ₹15,000 were taken by proprietor for personal use.
- Paid Income Tax ₹25,000 by cheque.
- Paid in cash for installation of machinery ₹ 10,000.
- Goods uninsured of ₹30,000 (purchase cost) were destroyed by fire.
- Goods costing ₹35,000 distributed as sample. (Sales Price ₹ 40,000).

33. Prepare Two-Column Cash Book of Titir from the following transactions.

6

2021

- April 1 Cash in Hand ₹ 1,200; Overdraft at bank ₹ 15,000.
- April 3 Capital introduced ₹ 20,000 out of which ₹ 16,000 is by cheque and is deposited in bank.
- April 4 Purchased goods from Shyam Traders for ₹ 3,000 less Trade Discount ₹ 200 against cheque.
- April 5 Sold goods to Mohan on credit ₹ 5,000.
- April 11 Settled the account of Tej Printers of ₹ 750 by paying cash ₹ 680.
- April 16 Received ₹ 1,000 from Param, whose account of ₹ 2,000 was written off as bad debts earlier.
- April 17 Received from Murli on behalf of Manohar ₹ 200.
- April 19 Received a cheque for ₹ 800 from Mukesh, which was endorsed to Nitin.
- April 20 Sold old furniture for ₹ 700, payment received in cash.
- April 30 Deposited with bank the balance after retaining ₹ 2,000 at office.

34. Record the following transactions of Harish Marketing, Jalandhar into proper Subsidiary Books. 6

2022

- Jan 1 Purchased Readymade Clothes from Maheep of Delhi of the list price of ₹ 40,000 less 10% Trade Discount.
- Jan 5 Sold Readymade Clothes to Manav, Amritsar for ₹ 10,000 less Trade Discount 10%.
- Jan 7 Shyam Singh, Delhi sold Readymade (Men) Clothes to Harish Marketing, Jalandhar for ₹ 30,000.
- Jan 8 Sold Readymade Clothes (Men) to Harpreet, Amritsar for ₹ 12,000.
- Jan 15 Purchased Racks for storing clothes from Bhuvan, Jalandhar for ₹ 15,000.
- Jan 19 Sold Readymade Clothes to Manav, Amritsar for ₹ 6,000, allowed Trade Discount 10%.
- Jan 27 Sold Readymade Clothes for cash to Mahesh, Varanasi for ₹ 8,000.

**\*\*\*\*END OF THE QUESTION PAPER\*\*\*\***



ROLL NUMBER				
----------------	--	--	--	--

SET	B
-----	---



**INDIAN SCHOOL MUSCAT  
HALF YEARLY EXAMINATION 2022  
ACCOUNTANCY (055)**



CLASS : XI  
DATE: 28-11-2022

TIME ALLOTTED : 3 HRS.  
MAXIMUM MARKS: 80

**GENERAL INSTRUCTIONS:**

1. This question paper contains 34 questions. All questions are compulsory.
  2. Questions 1 to 20 carries 1 mark each.
  3. Questions 21 to 26 carries 3 marks each.
  4. Questions from 27 to 29 carries 4 marks each
  5. Questions from 30 to 34 carries 6 marks each
  6. There is no overall choice. However, an internal choice has been provided in 7 questions of one mark, 2 questions of three marks, 1 question of four marks and 2 questions of six marks.
- 
1. The company follows the calendar year as accounting year. Which principle is highlighted in the fact that the firm divides the whole life of firm into small financial years? 1
    - (a) Dual Aspect Principle
    - (b) Materiality Principle
    - (c) Accounting Entity Principle
    - (d) Accounting Period Principle
- OR**
- According to consistency concept, which of the following statements is correct?
- (i) Accounting principles should be changed year after year to benefit the organisation.
  - (ii) Accounting principles or methods should remain same from year to year.
  - (iii) Business firms can change accounting methods according to the changed circumstances of business.
- (a) Only (ii) (b) Only (iii)
  - (c) Only (i) and (iii) (d) Only (ii) and (iii)
- 
2. Assertion (A) Book keeping involves summarising the classified transactions in the form of profit and loss account and balance sheet. 1  
Reason (R) Book keeping is an art of recording in books of accounts, the monetary aspect of commercial or financial transactions. It is concerned with record keeping maintenance of books of accounts.
    - (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
    - (b) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A)
    - (c) Assertion (A) is false, but Reason (R) is true
    - (d) Assertion (A) is true, but Reason (R) is false

3. Creditors of the business want to know: 1
- (a) Profitability of the business
  - (b) What should be the capacity of the business to pay higher salaries
  - (c) Creditworthiness of the business
  - (d) Employment opportunities

**OR**

Which of the following is not a qualitative characteristic of accounting information?

- (a) Reliability
  - (b) Understandability
  - (c) Comparability
  - (c) Materiality
4. The Liabilities of a firm are ₹ 30,000; the capital of the proprietor is ₹ 70,000. The total assets are: 1
- (a) ₹ 70,000
  - (b) ₹ 1,00,000
  - (c) ₹ 40,000
  - (d) ₹ 30,000
5. Which of the following is not a business transaction? 1
- (a) Withdrew ₹10,000 from business for personal use by the proprietor
  - (b) Proprietor withdrew ₹20,000 from the Bank Account of the firm to pay the school fees of his son
  - (c) Proprietor withdrew ₹12,000 from his personal account to pay the school fees of his son
  - (d) Goods taken worth ₹3,000 for personal use

**OR**

Goods means

- (a) Items purchased for own consumption
  - (b) Items purchased for donation
  - (c) Items purchased for resale
  - (d) Items purchased for use in business
6. There will be ..... by same amount, when building is purchased by paying the amount from bank account. 1
- (a) Increase in asset, increase in liabilities
  - (b) Increase in asset, decrease in liabilities
  - (c) Decrease in asset, decrease in liabilities
  - (d) Decrease in one asset, increase in another asset
7. Anil purchased 1,000 Add Gel Roller Pens @ ₹ 50 each less Trade Discount of 20%. Purchases Account will be debited by 1
- (a) ₹ 50,000
  - (b) ₹ 40,000
  - (c) ₹ 45,000
  - (d) ₹ 60,000

**OR**

Which of the following journal entry will be passed by a seller for allowing rebate on goods sold?

- (a) Rebate Allowed A/c Dr.  
To Purchaser A/c
- (b) Purchaser A/c Dr.  
To Rebate Allowed A/c
- (c) Seller A/c Dr.  
To Rebate Received A/c
- (d) Rebate Received A/c Dr.  
To Seller A/c

8. Consider the following statements with regard to the accounting treatment of various accounts: 1
- (i) Increase in asset is debited and decrease in asset is credited.
  - (ii) Increase in expenses/losses is debited and decrease in expenses/ losses is credited.
  - (iii) Increase in liabilities is credited and decrease in liabilities is debited.
  - (iv) Increase in capital is credited and decrease in capital is debited.

Identify the correct statement/statements:

- (a) (i) and (ii) (b) (i), (iii) and (iv)
- (c) (i), (ii), (iii) and (iv) (d) (ii) and (iii)

9. Pick the odd one out in context to the Modern Approach of Debit and Credit: 1
- (a) Machinery (purchased) (b) Stationery (purchased)
  - (c) Rent (paid) (d) Commission (Received)

**OR**

Sundry Creditors Account is a

- (a) Revenue Account (b) Capital Account
- (c) Liability Account (d) Expense Account

10. Received ₹4,900 from Garima in full settlement of ₹5,000. Posting of ₹100 will be made to the: 1
- (a) Dr. side of Discount A/c (b) Cr. side of Discount A/c
  - (c) Dr. side of Garima A/c (d) Cr. side of Garima A/c

11. Dinesh who owed us ₹8,000 became insolvent and paid us 60% in full settlement. Posting will be made to Dinesh A/c: 1
- (a) ₹4,800 on Cr. side (b) ₹4,800 on Dr. side
  - (c) ₹8,000 on Dr. side (d) ₹8,000 on Cr. side

12. Debit balance of a personal account means the person is a \_\_\_\_\_ of the firm whereas credit balance of a personal account indicates that the person is a \_\_\_\_\_ of the firm. 1
- (a) Owner, Creditor (b) Debtor, Owner
  - (c) Creditor, Owner (d) Debtor, Creditor

13. On intra-state purchase of goods, which of the following accounts are debited? 1
- (a) Input IGST Account
  - (b) Input CGST Account and Input SGST Account
  - (c) Input IGST Account and Input CGST Account
  - (d) Input IGST Account and Input SGST Account

**OR**

Identify the characteristic of GST from the following options.

- (a) It is a destination based tax
- (b) Eradicating cash economy
- (c) Uplifting GDP
- (d) Attracting Foreign Direct Investment

14. Which of the following about cash book is not true? 1
- (a) It serves the purpose of both journal as well as the ledger (cash) account.
  - (b) It is also called the book of original entry.
  - (c) When a cash book is maintained, transactions of cash are not recorded in the journal, and no separate account for cash or bank is required in the ledger.
  - (d) It records both cash and credit transactions.

**OR**

Withdrawal of Cash from Bank is recorded in

- (a) Debit of Bank column and Credit of Cash column
- (b) Debit of Cash column and Credit of Bank column
- (c) Debit of Cash column and also Credit of Cash column
- (d) Debit of Bank column and also Credit of Bank column

Question No.s 15 and 16 are based on the hypothetical situation given below.

Karim & Co., a saree dealer has the following transactions for the month of January.

Date	Particulars
Jan 4	Returned to Mohan Mills, Kerala, 10 polyester sarees @ ₹ 1,600 each. (-) Trade discount @ 10% (Debit note no. 101).
Jan 8	Srimala Mills, Kota accepted the returns of goods (which were purchased for cash) from us, 8 Kota sarees @ ₹ 640 each (Debit note no. 102).
Jan 12	Returned to Sonica Mills, Bombay, 12 silk sarees @ ₹ 1,040 each. (-) Trade discount @ 10% (Debit note no. 103).
Jan 30	Returned one typewriter (being defective) @ ₹ 7,200 to Vishaka & Co.

15. In which of the following books, will the return of Kota Sarees on 8th January be recorded? 1
  - (a) Purchase Returns Book
  - (b) Journal
  - (c) Cash Book
  - (d) Sales Return Book
16. What will be the total amount reflected in Purchase Returns Book as on 31st January? 1
  - (a) ₹ 25,632
  - (b) ₹ 14,400
  - (c) ₹ 11,232
  - (d) ₹ 28,480
17. Given-Imprest amount = ₹ 10,000. What will be the amount of reimbursement, if following expenses were incurred by the petty cashier during the month? 1  
Wages = ₹ 1,900; Tiffin = ₹ 1,200; Small Repairs = ₹ 900; General Expenses = ₹ 450.
  - (a) ₹ 1,900
  - (b) ₹ 2,100
  - (c) ₹ 5,550
  - (d) ₹ 4,450
18. A sole trader took goods costing ₹ 10,000 from stock for his own use. The normal selling price of the goods is ₹ 15,000. 1  
Which of the following Journal Entries would correctly record this.
  - (a) Drawings A/c Dr. 10,000  
To Purchases A/c 10,000
  - (b) Drawings A/c Dr. 15,000  
To Sales A/c 15,000
  - (c) Drawings A/c Dr. 15,000  
To Purchases A/c 15,000
  - (d) Sales A/c Dr. 10,000  
To Drawings A/c 10,000
19. Cash and bank balance shows a debit of ₹ 10,000 and ₹ 15,000 respectively; ₹ 8000 is withdrawn from the bank for office use. Cash and bank balance after this transaction is 1  
\_\_\_\_\_ and \_\_\_\_\_ respectively.
  - (a) ₹ 2000, ₹ 23000
  - (b) ₹ 18,000, ₹ 7,000
  - (c) ₹ 18000, ₹ 23,000
  - (d) ₹ 10000, ₹ 7,000

20. Which of these accounts has debit balance? 1
- (a) Prepaid Insurance Premium
  - (b) Bank Loan
  - (c) Income received in advance
  - (d) Creditors for goods

21. Explain the following: 3
- (i) Historical Cost Concept
  - (ii) Accrual Concept
  - (iii) Matching Concept

**OR**

Explain the following:

- (i) Accounting Entity Concept
- (ii) Consistency Concept
- (iii) Revenue Recognition Concept

22. Pass the Journal Entries for the following transactions. 3

- (i) Sold goods to Abhay, Lucknow (UP) for ₹2,00,000 less 10% Trade Discount plus IGST @ 18%. Received half the amount by cheque immediately and allowed 2% Cash Discount.
- (ii) Purchased goods from Hemant of ₹1,00,000 less 10% Trade Discount plus CGST and SGST @ 9% each. Paid by cheque immediately and availed 2% Cash Discount.

23. Raj commenced business of Trading in electronic goods with capital of ₹15,00,000. Out of the said ₹15,00,000, he paid ₹10,00,000 for purchase of electronic goods. He further spent ₹2,00,000 on furnishing the shop and ₹35,000 for purchase of computer and printer. ₹ 10,000 is yet to be paid to supplier of computer. Looking into the response of customers, he decided to trade in home appliances also and further invested ₹5,00,000. He withdrew ₹ 30,000 during the year for his personal use. 3

- (a) What is the amount of capital invested in the business by Raj?
- (b) Define drawings and state the amount of drawings mentioned in the case above.
- (c) What is the amount invested by Raj in fixed assets?
- (d) Define the term 'Purchases'.

**OR**

State one difference between the following:

- (i) Non-Current Assets and Current Assets
- (ii) Non-Current Liabilities and Current Liabilities

24. On 31<sup>st</sup> March, 2022, the total Assets and External Liabilities were ₹2,00,000 and ₹6,000 respectively. During the year the proprietor had introduced additional capital of ₹ 20,000 and had withdrawn ₹ 12,000 for personal use. He made a profit of ₹ 20,000 during the year. Calculate the capital as on 1<sup>st</sup> April, 2021. 3

25. Enter the following transactions in Neeraj's Account and balance the same. 3

2019		₹
June 7	Bought goods from Neeraj, Nagpur on credit.	1,20,000
June 19	Paid to Neeraj in cash on Account.	80,000
June 23	Goods returned to Neeraj	20,000
June 27	Paid to Neeraj by cheque in full settlement.	19,000

26. Classify the following accounts into Personal, Real and Nominal Accounts. 3
- |                         |                            |
|-------------------------|----------------------------|
| (i) Plant and Machinery | (ii) Bank                  |
| (iii) Carriage Inwards  | (iv) Bad Debts Written Off |
| (v) Ramesh, a Debtor    | (vi) Investments           |
27. Explain any four Limitations of Accounting. 4
- OR**
- Discuss any four Objectives of Accounting.
28. From the following list of balances, prepare a Trial Balance. 4
- |                        | ₹        |
|------------------------|----------|
| Capital A/c            | 2,00,000 |
| Debtors A/c            | 30,000   |
| Fixed Assets A/c       | 1,92,000 |
| Sales A/c              | 1,10,000 |
| Returns Outward A/c    | 1,000    |
| Bills Payable A/c      | 8,000    |
| Bank Overdraft A/c     | 11,000   |
| Opening Stock A/c      | 15,000   |
| Creditors A/c          | 30,000   |
| Purchases A/c          | 70,000   |
| Returns Inward A/c     | 2,000    |
| Wages and Salaries A/c | 30,000   |
| Bills Receivables A/c  | 15,000   |
| Rent A/c               | 6,000    |
29. Prepare an Analytical Petty Cash Book from the following: 4
- |      |                                   | ₹     |
|------|-----------------------------------|-------|
| 2022 |                                   |       |
| Jan1 | Received ₹16,000 for petty cash   |       |
| Jan2 | Paid bus fare                     | 100   |
| Jan2 | Paid cartage                      | 500   |
| Jan3 | Paid postage                      | 1,000 |
| Jan4 | Paid for stationery               | 800   |
| Jan4 | Paid auto charges                 | 400   |
| Jan5 | Paid cartage                      | 800   |
| Jan6 | Paid postage                      | 1,400 |
| Jan6 | Paid conveyance charges           | 600   |
| Jan6 | Paid for refreshment to customers | 1,000 |
30. Record the following transactions of Harish Marketing, Jalandhar into proper Subsidiary Books. 6
- 2022
- |        |   |
|--------|---|
| Jan 1  | Purchased Readymade Clothes from Maheep of Delhi of the list price of ₹ 40,000 less 10% Trade Discount. |
| Jan 5  | Sold Readymade Clothes to Manav, Amritsar for ₹ 10,000 less Trade Discount 10%.                         |
| Jan 7  | Shyam Singh, Delhi sold Readymade (Men) Clothes to Harish Marketing, Jalandhar for ₹ 30,000.            |
| Jan 8  | Sold Readymade Clothes (Men) to Harpreet, Amritsar for ₹ 12,000.  |
| Jan 15 | Purchased Racks for storing clothes from Bhuvan, Jalandhar for ₹ 15,000.                                |

Jan 19 Sold Readymade Clothes to Manav, Amritsar for ₹ 6,000, allowed Trade Discount 10%.

Jan 27 Sold Readymade Clothes for cash to Mahesh, Varanasi for ₹ 8,000.

31. (a) Define Cash Basis of Accounting and Accrual Basis of Accounting. Also state four differences between Cash Basis of Accounting and Accrual Basis of Accounting. 6

OR

(a) Define 'Internal User' and 'External User' of Accounting Information.

(b) State why the following users need Accounting Information.

- (i) Owners
- (ii) Management
- (iii) Banks and Financial Institutions
- (iv) Government and its Authorities

32. Prepare Accounting Equation of the following transactions. 6

	₹
1 Mahira started business with cash.	1,00,000
Opened a Bank Account and transferred ₹ 4,00,000 from her Savings Account.	
2 Purchased a Machinery from Sailesh for ₹ 12,00,000 paid by taking a loan from SBI.	10,00,000
3 Paid interest on loan ₹ 20,000 and instalment of ₹ 1,00,000.	
4 Purchased goods from Raman on credit.	1,00,000
5 Sold goods costing ₹ 40,000 for ₹ 50,000 on cash to Ramesh.	
6 Accrued Interest	5,000
Commission received in advance	20,000

33. Pass Journal Entries for the following 6
- (i) Out of the rent paid for this year ₹ 20,000 relates to the next year.
  - (ii) Goods used for making furniture (Sale Value ₹ 20,000; Cost ₹ 15,000)
  - (iii) Provide 10% depreciation on machinery costing ₹ 1,00,000.
  - (iv) Charge Interest on Drawings ₹ 6,000.
  - (v) Goods destroyed by fire (Sales Price ₹ 50,000, Cost ₹ 40,000)
  - (vi) Brick, cement etc. for ₹2,00,000 and Timber for ₹1,50,000 purchased for the renovation of building. Payment made by cheque.

OR

Pass Journal Entries for the following

- (i) Samar is declared insolvent. Received from his Official Receiver 60 paise in a rupee on a debt of ₹ 50,000.
- (ii) Goods purchased ₹ 15,000 were taken by proprietor for personal use.
- (iii) Paid Income Tax ₹ 25,000 by cheque.
- (iv) Paid in cash for installation of machinery ₹ 10,000.
- (v) Goods uninsured of ₹ 30,000 (purchase cost) were destroyed by fire.
- (vi) Goods costing ₹ 35,000 distributed as sample. (Sales Price ₹ 40,000).

34. Prepare Two-Column Cash Book of Titir from the following transactions.

6

2021

- April 1      Cash in Hand ₹ 1,200; Overdraft at bank ₹ 15,000.  
April 3      Capital introduced ₹ 20,000 out of which ₹ 16,000 is by cheque and is deposited in bank.  
April 4      Purchased goods from Shyam Traders for ₹ 3,000 less Trade Discount ₹ 200 against cheque.  
April 5      Sold goods to Mohan on credit ₹ 5,000.  
April 11      Settled the account of Tej Printers of ₹ 750 by paying cash ₹ 680.  
April 16      Received ₹ 1,000 from Param, whose account of ₹ 2,000 was written off as bad debts earlier.  
April 17      Received from Murli on behalf of Manohar ₹ 200.  
April 19      Received a cheque for ₹ 800 from Mukesh, which was endorsed to Nitin.  
April 20      Sold old furniture for ₹ 700, payment received in cash.  
April 30      Deposited with bank the balance after retaining ₹ 2,000 at office.

**\*\*\*\*END OF THE QUESTION PAPER\*\*\*\***



ROLL NUMBER				
----------------	--	--	--	--

SET	C
-----	---



**INDIAN SCHOOL MUSCAT  
HALF YEARLY EXAMINATION 2022  
ACCOUNTANCY (055)**



CLASS : XI  
DATE: 28-11-2022

TIME ALLOTTED : 3 HRS.  
MAXIMUM MARKS: 80

**GENERAL INSTRUCTIONS:**

1. This question paper contains 34 questions. All questions are compulsory.
2. Questions 1 to 20 carries 1 mark each.
3. Questions 21 to 26 carries 3 marks each.
4. Questions from 27 to 29 carries 4 marks each
5. Questions from 30 to 34 carries 6 marks each
6. There is no overall choice. However, an internal choice has been provided in 7 questions of one mark, 2 questions of three marks, 1 question of four marks and 2 questions of six marks.

1. Creditors of the business want to know: 1
  - (a) Profitability of the business
  - (b) What should be the capacity of the business to pay higher salaries
  - (c) Creditworthiness of the business
  - (d) Employment opportunities

**OR**

Which of the following is not a qualitative characteristic of accounting information?

- (a) Reliability (b) Understandability
  - (c) Comparability (d) Materiality
2. The company follows the calendar year as accounting year. Which principle is highlighted in the fact that the firm divides the whole life of firm into small financial years? 1
    - (a) Dual Aspect Principle
    - (b) Materiality Principle
    - (c) Accounting Entity Principle
    - (d) Accounting Period Principle

**OR**

According to consistency concept, which of the following statements is correct?

- (i) Accounting principles should be changed year after year to benefit the organisation.
  - (ii) Accounting principles or methods should remain same from year to year.
  - (iii) Business firms can change accounting methods according to the changed circumstances of business.
- (a) Only (ii) (b) Only (iii)
  - (c) Only (i) and (iii) (d) Only (ii) and (iii)
3. Assertion (A) Book keeping involves summarising the classified transactions in the form of profit and loss account and balance sheet. 1

Reason (R) Book keeping is an art of recording in books of accounts, the monetary aspect of commercial or financial transactions. It is concerned with record keeping maintenance of books of accounts.

- (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
- (b) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A)
- (c) Assertion (A) is false, but Reason (R) is true
- (d) Assertion (A) is true, but Reason (R) is false

4. There will be ..... by same amount, when building is purchased by paying the amount from bank account. 1
- (a) Increase in asset, increase in liabilities
  - (b) Increase in asset, decrease in liabilities
  - (c) Decrease in asset, decrease in liabilities
  - (d) Decrease in one asset, increase in another asset
5. The Liabilities of a firm are ₹ 30,000; the capital of the proprietor is ₹ 70,000. The total assets are: 1
- |              |                |
|--------------|----------------|
| (a) ₹ 70,000 | (b) ₹ 1,00,000 |
| (c) ₹ 40,000 | (d) ₹ 30,000   |
6. Which of the following is not a business transaction? 1
- (a) Withdrew ₹10,000 from business for personal use by the proprietor
  - (b) Proprietor withdrew ₹20,000 from the Bank Account of the firm to pay the school fees of his son
  - (c) Proprietor withdrew ₹12,000 from his personal account to pay the school fees of his son
  - (d) Goods taken worth ₹3,000 for personal use

**OR**

Goods means

- (a) Items purchased for own consumption
- (b) Items purchased for donation
- (c) Items purchased for resale
- (d) Items purchased for use in business

7. Pick the odd one out in context to the Modern Approach of Debit and Credit: 1
- |                           |                            |
|---------------------------|----------------------------|
| (a) Machinery (purchased) | (b) Stationery (purchased) |
| (c) Rent (paid)           | (d) Commission (Received)  |

**OR**

Sundry Creditors Account is a

- |                       |                     |
|-----------------------|---------------------|
| (a) Revenue Account   | (b) Capital Account |
| (c) Liability Account | (d) Expense Account |

8. Anil purchased 1,000 Add Gel Roller Pens @ ₹ 50 each less Trade Discount of 20%. Purchases Account will be debited by 1
- |              |              |
|--------------|--------------|
| (a) ₹ 50,000 | (b) ₹ 40,000 |
| (c) ₹ 45,000 | (d) ₹ 60,000 |

**OR**

Which of the following journal entry will be passed by a seller for allowing rebate on goods sold?

- (a) Rebate Allowed A/c Dr.  
To Purchaser A/c
- (b) Purchaser A/c Dr.  
To Rebate Allowed A/c
- (c) Seller A/c Dr.  
To Rebate Received A/c
- (d) Rebate Received A/c Dr.  
To Seller A/c

9. Consider the following statements with regard to the accounting treatment of various accounts: 1
- (i) Increase in asset is debited and decrease in asset is credited.
  - (ii) Increase in expenses/losses is debited and decrease in expenses/ losses is credited.
  - (iii) Increase in liabilities is credited and decrease in liabilities is debited.
  - (iv) Increase in capital is credited and decrease in capital is debited.

Identify the correct statement/statements:

- (a) (i) and (ii) (b) (i), (iii) and (iv)
  - (c) (i), (ii), (iii) and (iv) (d) (ii) and (iii)
10. Debit balance of a personal account means the person is a \_\_\_\_\_ of the firm whereas credit balance of a personal account indicates that the person is a \_\_\_\_\_ of the firm. 1
- (a) Owner, Creditor (b) Debtor, Owner
  - (c) Creditor, Owner (d) Debtor, Creditor
11. Received ₹4,900 from Garima in full settlement of ₹5,000. Posting of ₹ 100 will be made to the: 1
- (a) Dr. side of Discount A/c (b) Cr. side of Discount A/c
  - (c) Dr. side of Garima A/c (d) Cr. side of Garima A/c
12. Dinesh who owed us ₹8,000 became insolvent and paid us 60% in full settlement. Posting will be made to Dinesh A/c: 1
- (a) ₹4,800 on Cr. side (b) ₹4,800 on Dr. side
  - (c) ₹8,000 on Dr. side (d) ₹8,000 on Cr. side
13. Given-Imprest amount = ₹ 10,000. What will be the amount of reimbursement, if following expenses were incurred by the petty cashier during the month? 1
- Wages = ₹ 1,900; Tiffin = ₹ 1,200; Small Repairs = ₹ 900; General Expenses = ₹ 450.
- (a) ₹ 1,900 (b) ₹ 2,100
  - (c) ₹ 5,550 (d) ₹ 4,450
14. On intra-state purchase of goods, which of the following accounts are debited? 1
- (a) Input IGST Account
  - (b) Input CGST Account and Input SGST Account
  - (c) Input IGST Account and Input CGST Account
  - (d) Input IGST Account and Input SGST Account

**OR**

Identify the characteristic of GST from the following options.

- (a) It is a destination based tax
- (b) Eradicating cash economy
- (c) Uplifting GDP
- (d) Attracting Foreign Direct Investment

Question no.'s 15 and 16 are based on the hypothetical situation given below.

Karim & Co., a saree dealer has the following transactions for the month of January.

Date	Particulars
Jan 4	Returned to Mohan Mills, Kerala, 10 polyester sarees @ ₹ 1,600 each. (-) Trade discount @ 10% (Debit note no. 101).
Jan 8	Srimala Mills, Kota accepted the returns of goods (which were purchased for cash) from us, 8 Kota sarees @ ₹ 640 each (Debit note no. 102).
Jan 12	Returned to Sonica Mills, Bombay, 12 silk sarees @ ₹ 1,040 each. (-) Trade discount @ 10% (Debit note no. 103).
Jan 30	Returned one typewriter (being defective) @ ₹ 7,200 to Vishaka & Co.

15. In which of the following books, will the return of Kota Sarees on 8th January be recorded? 1
  - (a) Purchase Returns Book
  - (b) Journal
  - (c) Cash Book
  - (d) Sales Return Book
16. What will be the total amount reflected in Purchase Returns Book as on 31st January? 1
  - (a) ₹ 25,632
  - (b) ₹ 14,400
  - (c) ₹ 11,232
  - (d) ₹ 28,480
17. Which of the following about cash book is not true? 1
  - (a) It serves the purpose of both journal as well as the ledger (cash) account.
  - (b) It is also called the book of original entry.
  - (c) When a cash book is maintained, transactions of cash are not recorded in the journal, and no separate account for cash or bank is required in the ledger.
  - (d) It records both cash and credit transactions.

OR

Withdrawal of Cash from Bank is recorded in

- (a) Debit of Bank column and Credit of Cash column
- (b) Debit of Cash column and Credit of Bank column
- (c) Debit of Cash column and also Credit of Cash column
- (d) Debit of Bank column and also Credit of Bank column

18. Which of these accounts has debit balance? 1
  - (a) Prepaid Insurance Premium
  - (b) Bank Loan
  - (c) Income received in advance
  - (d) Creditors for goods
19. A sole trader took goods costing ₹ 10,000 from stock for his own use. The normal selling price of the goods is ₹ 15,000. 1  
Which of the following Journal Entries would correctly record this.
  - (a) Drawings A/c Dr.      10,000  
    To Purchases A/c              10,000
  - (b) Drawings A/c Dr.      15,000  
    To Sales A/c                  15,000
  - (c) Drawings A/c Dr.      15,000  
    To Purchases A/c              15,000
  - (d) Sales A/c Dr.          10,000  
    To Drawings A/c              10,000

20. Cash and bank balance shows a debit of ₹ 10,000 and ₹ 15,000 respectively; ₹ 8000 is withdrawn from the bank for office use. Cash and bank balance after this transaction is \_\_\_\_\_ and \_\_\_\_\_ respectively. 1
- (a) ₹ 2000, ₹ 23000 (b) ₹ 18,000, ₹ 7,000  
(c) ₹ 18000, ₹ 23,000 (d) ₹ 10000, ₹ 7,000

21. Explain the following: 3
- (i) Conservatism Concept  
(ii) Verifiable Objective Concept  
(iii) Materiality Concept

**OR**

Explain the following:

- (i) Full Disclosure Principle  
(ii) Accounting Period Concept  
(iii) Going Concern Assumption

22. Enter the following transactions in Neeraj's Account and balance the same. 3
- |  | ₹        |
|--|----------|
| 2019   |          |
| June 7 Bought goods from Neeraj, Nagpur on credit.   | 1,20,000 |
| June 19 Paid to Neeraj in cash on Account.           | 80,000   |
| June 23 Goods returned to Neeraj                     | 20,000   |
| June 27 Paid to Neeraj by cheque in full settlement. | 19,000   |

23. Pass the Journal Entries for the following transactions. 3
- (i) Sold goods to Abhay, Lucknow (UP) for ₹2,00,000 less 10% Trade Discount plus IGST @ 18%. Received half the amount by cheque immediately and allowed 2% Cash Discount.
- (ii) Purchased goods from Hemant of ₹1,00,000 less 10% Trade Discount plus CGST and SGST @ 9% each. Paid by cheque immediately and availed 2% Cash Discount.

24. On 31<sup>st</sup> March, 2022, the total Assets and External Liabilities were ₹3,00,000 and ₹9,000 respectively. During the year the proprietor had introduced additional capital of ₹ 30,000 and had withdrawn ₹ 18,000 for personal use. He made a profit of ₹ 30,000 during the year. Calculate the capital as on 1<sup>st</sup> April, 2021. 3

25. Raj commenced business of Trading in electronic goods with capital of ₹15,00,000. Out of the said ₹15,00,000, he paid ₹10,00,000 for purchase of electronic goods. He further spent ₹2,00,000 on furnishing the shop and ₹35,000 for purchase of computer and printer. ₹ 10,000 is yet to be paid to supplier of computer. Looking into the response of customers, he decided to trade in home appliances also and further invested ₹5,00,000. He withdrew ₹ 30,000 during the year for his personal use. 3

- (a) What is the amount of capital invested in the business by Raj?  
(b) Define drawings and state the amount of drawings mentioned in the case above.  
(c) What is the amount invested by Raj in fixed assets?  
(d) Define the term 'Purchases'.

**OR**

State one difference between the following:

- (i) Non-Current Assets and Current Assets  
(ii) Non-Current Liabilities and Current Liabilities

26. Classify the following accounts into Personal, Real and Nominal Accounts. 3
- |                    |                |
|--------------------|----------------|
| (i) Excise Duty    | (ii) Building  |
| (iii) Prepaid Rent | (iv) Creditors |
| (v) Patents        | (vi) Salary    |

27. Explain any four Objectives of Accounting. 4

**OR**

Discuss any four Advantages of Accounting.

28. Prepare an Analytical Petty Cash Book from the following: 4

2022	₹
Jan1 Received ₹16,000 for petty cash	
Jan2 Paid bus fare	100
Jan2 Paid cartage	500
Jan3 Paid postage	1,000
Jan4 Paid for stationery	800
Jan4 Paid auto charges	400
Jan5 Paid cartage	800
Jan6 Paid postage	1,400
Jan6 Paid conveyance charges	600
Jan6 Paid for refreshment to customers	1,000

29. From the following list of balances, prepare a Trial Balance. 4

	₹
Capital A/c	2,00,000
Debtors A/c	30,000
Fixed Assets A/c	1,92,000
Sales A/c	1,10,000
Returns Outward A/c	1,000
Bills Payable A/c	8,000
Bank Overdraft A/c	11,000
Opening Stock A/c	15,000
Creditors A/c	30,000
Purchases A/c	70,000
Returns Inward A/c	2,000
Wages and Salaries A/c	30,000
Bills Receivables A/c	15,000
Rent A/c	6,000

30. Prepare Two-Column Cash Book of Titir from the following transactions. 6

2021	
April 1	Cash in Hand ₹ 1,200; Overdraft at bank ₹ 15,000.
April 3	Capital introduced ₹ 20,000 out of which ₹ 16,000 is by cheque and is deposited in bank.
April 4	Purchased goods from Shyam Traders for ₹ 3,000 less Trade Discount ₹ 200 against cheque.
April 5	Sold goods to Mohan on credit ₹ 5,000.

- April 11 Settled the account of Tej Printers of ₹ 750 by paying cash ₹ 680.
- April 16 Received ₹ 1,000 from Param, whose account of ₹ 2,000 was written off as bad debts earlier.
- April 17 Received from Murli on behalf of Manohar ₹ 200.
- April 19 Received a cheque for ₹ 800 from Mukesh, which was endorsed to Nitin.
- April 20 Sold old furniture for ₹ 700, payment received in cash.
- April 30 Deposited with bank the balance after retaining ₹ 2,000 at office.

31. Record the following transactions of Harish Marketing, Jalandhar into proper Subsidiary Books. 6

2022

- Jan 1 Purchased Readymade Clothes from Maheep of Delhi of the list price of ₹ 40,000 less 10% Trade Discount.
- Jan 5 Sold Readymade Clothes to Manav, Amritsar for ₹ 10,000 less Trade Discount 10%.
- Jan 7 Shyam Singh, Delhi sold Readymade (Men) Clothes to Harish Marketing, Jalandhar for ₹ 30,000.
- Jan 8 Sold Readymade Clothes (Men) to Harpreet, Amritsar for ₹ 12,000.
- Jan 15 Purchased Racks for storing clothes from Bhuvan, Jalandhar for ₹ 15,000.
- Jan 19 Sold Readymade Clothes to Manav, Amritsar for ₹ 6,000, allowed Trade Discount 10%.
- Jan 27 Sold Readymade Clothes for cash to Mahesh, Varanasi for ₹ 8,000.

32. (a) Define Cash Basis of Accounting and Accrual Basis of Accounting. 6  
Also state four differences between Cash Basis of Accounting and Accrual Basis of Accounting.

**OR**

- (a) Define 'Internal User' and 'External User' of Accounting Information.
- (b) State why the following users need Accounting Information.
  - (i) Owners
  - (ii) Management
  - (iii) Banks and Financial Institutions
  - (iv) Government and its Authorities

33. Prepare Accounting Equation of the following transactions. 6

	₹
1 Mahira started business with cash.	1,00,000
Opened a Bank Account and transferred ₹ 4,00,000 from her Savings Account.	
2 Purchased a Machinery from Sailesh for ₹ 12,00,000 paid by taking a loan from SBI.	10,00,000
3 Paid interest on loan ₹ 20,000 and instalment of ₹ 1,00,000.	
4 Purchased goods from Raman on credit.	1,00,000
5 Sold goods costing ₹ 40,000 for ₹ 50,000 on cash to Ramesh.	
6 Accrued Interest	5,000
Commission received in advance	20,000

34. Pass Journal Entries for the following

6

- (i) Out of the rent paid for this year ₹ 20,000 relates to the next year.
- (ii) Goods used for making furniture (Sale Value ₹ 20,000; Cost ₹ 15,000)
- (iii) Provide 10% depreciation on machinery costing ₹ 1,00,000.
- (iv) Charge Interest on Drawings ₹ 6,000.
- (v) Goods destroyed by fire (Sales Price ₹ 50,000, Cost ₹ 40,000)
- (vi) Brick, cement etc. for ₹2,00,000 and Timber for ₹1,50,000 purchased for the renovation of building. Payment made by cheque.

OR

Pass Journal Entries for the following

- (i) Samar is declared insolvent. Received from his Official Receiver 60 paise in a rupee on a debt of ₹ 50,000.
- (ii) Goods purchased ₹ 15,000 were taken by proprietor for personal use.
- (iii) Paid Income Tax ₹ 25,000 by cheque.
- (iv) Paid in cash for installation of machinery ₹ 10,000.
- (v) Goods uninsured of ₹ 30,000 (purchase cost) were destroyed by fire.
- (vi) Goods costing ₹ 35,000 distributed as sample. (Sales Price ₹ 40,000).

**\*\*\*\*END OF THE QUESTION PAPER\*\*\*\***