

# AMRITA VIDYALAYAM

## ANNUAL EXAMINATION 2019 - 20

Class : XI

Marks : 80

Time : 3 hrs

### ACCOUNTANCY

#### GENERAL INSTRUCTIONS:

1. All questions are to be attempted.

2. All parts of the question should be attempted at one place. Show the workings clearly.

#### PART - A

1. Rohit, a businessman, had paid the school fee of his daughter from the business. Is this a business transaction? Give reason. 1
2. Choose the correct answer from the options given below. 1  
What should be the rectifying entry for ₹ 1,50,000 spent on a family trip enjoyed by Mr. Khanna and recorded them by debiting to Office Expenses A/c?  
a) Drawings A/c Dr. 1,50,000  
    To Cash A/c 1,50,000  
b) Drawings A/c Dr. 1,50,000  
    To Office Expenses A/c 1,50,000  
c) Office Expenses A/c Dr. 1,50,000  
    To Drawings A/c 1,50,000  
d) Cash A/c Dr. 1,50,000  
    To Office Expenses A/c 1,50,000
3. Choose the correct answer from the options given below. 1  
Which of the following accounts should be debited for the goods worth ₹ 3,000 withdrawn for personal use?  
(Sales A/c, Drawings A/c, Purchases A/c, Stock A/c)
4. Which type of GST is levied on the inter-states sales i.e. sale of goods and services outside the state? 1
5. Choose the correct answer from the options given below. 1  
The capital of a sole trader would change as a result of \_\_\_\_\_.  
(Credit Purchase of raw material, Wages paid in cash, Credit Purchase of Fixed Assets, Creditor being paid his account by cheque)
6. Salary of ₹ 4,200 paid was posted as ₹ 4,000 in Salary A/c and Administration expense of ₹ 15,400 was posted as ₹ 15,600. Identify the type of error. 1
7. Choose the correct answer from the options given below. 1  
When the amount of Input CGST is more than Output CGST, such excess input GST is shown on the \_\_\_\_\_ side of the \_\_\_\_\_.  
a) Liabilities, Balance Sheet  
b) Assets, Balance Sheet  
c) Debit, Profit and Loss Account  
d) Credit, Profit and Loss Account
8. What will be the rate of depreciation if the asset was purchased for ₹ 80,000 with a salvage value of ₹ 10,000 at the end of its useful life of 7 years? 1
9. What does a credit bank balance signify? 1
10. Mr. Karan, accountant at M/s Das and Das follows different methods of inventory valuation every year. Which of the following attributes of accounting information would be affected due to practice adopted by Mr. Karan as above? 1
11. Choose the correct answer from the options given below. 1  
Which of the following is not a Party to a bill of exchange?  
(Payee, Drawee, Signatory, Drawer)
12. Wages paid for installation of newly purchased machinery are debited to Wages Account. Such type of error is known as \_\_\_\_\_. 1
13. Whether the following statement is true or false. 1

## ‘Goodwill is a Tangible Fixed Asset.’

14. Explain the terms. 3  
 a) Depreciation b) Entity c) Inventory
15. a) State with reason whether the following are revenue or capital expenditure.  
 (i) ` 1,000 spent on repairing a second hand machine before put to use.  
 (ii) ` 5,000 on repainting the factory.
- b) What do you mean by Specific Reserve? 4

OR

Rectify the following entries by passing entries.

- a) A credit sale of ` 2,000 to Ram was posted to Raman's Account.  
b) Goods costing ` 1,000 (Market price ` 1,500) were taken by proprietor for personal use, not recorded anywhere.  
c) Sales book was overcast by ` 600.
16. Roshan purchased from Prem 500 items @ 100 each at 20% trade discount plus CGST and SGST @ 6% each. He is further given 2% cash discount as he made payment for the purchases immediately. Determine the amount that Roshan will debit to purchases account. **4**
17. Prepare a trial balance from the following. **4**
- |                        |                         |
|------------------------|-------------------------|
| Opening Stock 10,260   | Debtors 4,500           |
| Returns Outward 4,800  | Carriage outwards 1,500 |
| Salaries 3,600         | Capital 16,560          |
| Creditors 8,400        | Machinery 5,400         |
| Bank 13,500            | Returned Inward 900     |
| Carriage Inwards 1,800 | Discount Received 1,200 |
| Rent Received 900      | Trade Expenses 1,800    |
| Discount Allowed 600   | Sales 42,000            |
| Purchases 30,000       | Building 6,000          |
| Bill Payable 6,000     |                         |
18. Prepare a Bank Reconciliation Statement of Mr. Rivij Jain on 31st May 2012 from the following. **4**
- a) Dr. Balance as per Pass book ` 50,000.  
b) Cheque issued to Mr. Ram for ` 2,000 not entered in Cash Book.  
c) Mr. Dhanam (Debtor) deposited an amount of ` 1,000 directly into the bank account of Mr. Rivij Jain.  
d) Cheque Received from Mr. Guru for ` 6,000, entered in cash book but not sent to bank.  
e) There was a credit in the pass book for ` 600 and another credit for ` 200 for interest.  
f) Bank charges ` 500 entered twice in cash book.

19. Prepare two column cash book. 6

Jan 01	Balance of cash ` 20,000 and Bank ` 9,800
Jan 02	Received from Raman ` 900 and discount allowed ` 100.
Jan 05	Sold goods for cash ` 5,000 and deposited half amount into the bank.
Jan 07	Paid salary ` 2,500
Jan 10	Settled account of Karan Traders ` 10,000 by paying in cash ` 9,500.
Jan 14	Received from Murli on behalf of Kala ` 4,500
Jan 20	Settled a debt of ` 1,200 by cheque receiving a discount of 5%.
Jan 22	Drew ` 500 from bank and paid donation.
Jan 27	Received repayment of loan ` 8,000 and deposited out of ` 6,500 it into the bank.

OR

Calculate closing stock and cost of goods sold from the following information.

Opening stock - ₹ 15,000; Sales - ₹ 48,000; Carriage inwards - ₹ 3,000; Sales return - ₹ 3,000;

Gross profit - ` 18,000; Purchases - ` 30,000; Purchases Return - ` 2,700.

20. Following is the list of transactions. You are required to show the effect of the following transactions on the accounting equation and also prepare a Balance Sheet. 6

- a) Started Business by introducing cash ₹ 1,20,000.  
 b) Advance commission received ₹ 2,000.  
 c) Rent Received ₹ 4,000.  
 d) Amount withdrawn ₹ 10,000.  
 e) Interest Accrued ₹ 1,000.
21. On 15<sup>th</sup> January, 2016, Sachin sold goods for ₹ 30,000 to Narain and drew upon later a bill for the same amount payable after 3 months. The bill was accepted by Narain. The bill was discounted by Sachin from his bank for ₹ 29,250 on 31<sup>st</sup> January, 2016. On maturity the bill was dishonoured. He further agreed to pay ₹ 10,500 in cash including ₹ 500 interest and accept a new bill for two months for the remaining ₹ 20,000. The new bill was endorsed by Sachin in favour of his creditor Kapil for debt of ₹ 20,000. The new bill was duly met by Narain on maturity. Give journal entries in the books of Sachin.

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OR

Prepare final accounts for the year 31.03.2018.

Particulars	Debit	Credit
Furniture	6,400	
Motor vehicles	62,500	
Building	75,000	
Capital		1,25,000
Bad debts	1,250	
Provision for d/d		2,000
Debtors / Creditors	38,000	25,000
Stock	34,600	
Purchases / Sales	54,750	1,54,500
Bank O/D		28,500
Returns	2,000	1,250
Advertisements	4,500	
Interest	1,180	
Commission		3,750
Cash	6,500	
Taxes and insurances	12,500	
General expenses	7,820	
Salary	33,000	

Adjustments.

- a) Stock on 31.03.2018 ₹ 32,500.  
 b) Salary outstanding ₹ 3,000.  
 c) Depreciation on building @ 5%.  
 d) Write off ₹ 1,000 as bad debts and create a provision of 5% on debtors.  
 e) 1/3 of commission received is in respect for next year.
22. Vinod maintains his account on Single Entry System. Calculate his profit on 31st March, 2018 from the following information.

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Particulars	1 April 2017	31 March 2018
Cash in hand	3,000	1,000
Bank Balance	9,000	7,000
Furniture	4,000	4,000
Stock	2,000	6,000
Creditors	8,000	6,000
Debtors	6,000	8,000

During the year his drawings were ₹ 2,000 and additional capital invested ₹ 4,000.

OR

From the following information of M/s Gold Star, prepare Machinery account for the three years ending on 31<sup>st</sup> March 2019.

Date	Particulars
1 <sup>st</sup> April, 2016	Purchased a second hand machinery I for ` 4,00,000
1 <sup>st</sup> April, 2016	Spent ` 1,00,000 on its repairs to make it serviceable
1 <sup>st</sup> Oct, 2016	Purchased a new machinery II for ` 10,00,000
1 <sup>st</sup> April, 2017	Spent ` 10,000 on repair of new machinery II
30 <sup>th</sup> Sept, 2018	Sale of machinery I for ` 2,25,000
30 <sup>th</sup> Sept, 2018	Purchased a new machinery III for ` 15,00,000

Method of depreciation is written down value method and rate of Depreciation is 20%.

### PART - B

23. Choose the correct answer from the options given below. 1  
According to the \_\_\_\_\_, revenue is recognized when it is realized and expenses are recognized as an expense in the accounting year in which revenue related to it is recognized irrespective of whether cash has been received or paid for the same.  
(Consistency Assumption, Going Concern Concept, Accrual Assumption, Prudence Concept)
24. Nikhil sold 500 yoga mats to Kalyan Sports @ 400 each less 25% trade discount and 2% cash discount if Kalyan Sports pays the amount in 15 days. Kalyan Sports paid the amount on 10th day. What will be the amount with which sales account should be credited by Nikhil on the date of sale? 1
25. Suspense Account will give the \_\_\_\_\_. 1  
(Debit balance, Credit balance, Debit or credit balance as the case may be, Nil balance)
26. Complete the following statement. 1  
A pre payment of insurance premium will appear in the Balance Sheet as \_\_\_\_\_.
27. Which document is evidencing for the credit granted to the named person for the reason stated there in? 1
28. What is the journal entry to be passed to record an amount of ` 15,000 received as rent for the next accounting year? 1
29. Give any one advantage of maintaining incomplete records. 1
30. Determine whether the following statement is correct and support your answer with an appropriate explanation. 3  
“Financial Statements are prepared just to know the profits earned and loss incurred during an accounting period.”

OR

From the following information, compute the amount of profit.

Capital at the end of the year ` 5,00,000; Capital in the beginning of the year ` 7,50,000; Drawings made during the period ` 3,75,000; Additional capital introduced ` 50,000.

31. Distinguish between Trade Discount and Cash Discount on any four basis. 4

OR

Differentiate between Manual accounting and Computerised accounting system.

32. Enter the following transactions in proper Subsidiary Books of Raja.

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2017	Particulars
Jan 1	Sold goods to Ravi 5,250
	Bought of Harish 7,800
Jan 2	Ravi returned goods 750
	Sold to Dina Nath 5,500
Jan 2	Purchased goods from Mangal 7,000
Jan 4	Returned goods to Mangal 1,000
Jan 4	Bought of Devi Dayal 3,250
Jan 4	Sold to Zakir Hussain 3,500
Jan 5	Zakir Hussain returned goods 450
Jan 6	Sold to Ram Saran 5,000
Jan 6	Sold to Ghanshyam 3,000
Jan 7	Ram Saran returned goods 5,00
Jan 7	Bought of Devi Dayal 7,000
Jan 8	Returned goods to Devi Dayal 750
Jan 9	Purchased goods from Raghu Nath subject to a trade discount of 10% 10,000
Jan 10	Sold to Raja Ram goods subject to trade discount of 5% 5,000