

CLASS: 11
HALF YEARLY EXAMINATION
ACCOUNTANCY (055)
SET - B

1.	<p>Which of the following is not a business transaction?</p> <p>a) Purchase of goods for resale amounted to ₹.50,000 b) Paid salaries and wages amounted to ₹.10,000 c) Paid rent for office premises ₹.5,000 d) Purchased a LCD for personal use.</p> <p>Ans: d</p>	1																				
2.	<p>Match the following:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-left: 40px;"> <thead> <tr> <th style="width: 5%;"></th> <th style="width: 45%; text-align: center;">A</th> <th style="width: 5%;"></th> <th style="width: 45%; text-align: center;">B</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Bank loan</td> <td style="text-align: center;">A</td> <td>Fictitious assets</td> </tr> <tr> <td style="text-align: center;">2</td> <td>Copyright</td> <td style="text-align: center;">B</td> <td>Current Liabilities</td> </tr> <tr> <td style="text-align: center;">3</td> <td>Bills Payable</td> <td style="text-align: center;">C</td> <td>Intangible fixed assets</td> </tr> <tr> <td style="text-align: center;">4</td> <td>Advertisement suspense</td> <td style="text-align: center;">D</td> <td>Long term liabilities</td> </tr> </tbody> </table> <p>Ans: 1-d ; 2- c ; 3- b ; 4- a</p>		A		B	1	Bank loan	A	Fictitious assets	2	Copyright	B	Current Liabilities	3	Bills Payable	C	Intangible fixed assets	4	Advertisement suspense	D	Long term liabilities	1
	A		B																			
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3.	<p>Accounting information must be presented in such a way that only accounting people understands it. State true or false with a reason.</p> <p>Ans. False: it must be presented in a simple and logical manner that they are understood easily by the users.</p>	1																				
4.	<p>A firm has received a large order to supply goods. Will it be recorded in the books of account of the firm? Give reason.</p> <p>Ans: No. it will not be recorded as it is not a transaction.</p>	1																				
5.	<p>Which is the last step of accounting as a process of information?</p> <p>a) Recording b) Preparation of financial statements. c) Communication of information d) Analysis and interpretation of information.</p> <p>Ans: c</p>	1																				
6.	<p>A person who owes money to the firm against goods sold is called a _____</p> <p>Ans: Debtor</p>	1																				
7.	<p>Under which convention is sale recognized on the basis of Cash Memo or Invoice.</p> <p>Ans: Verifiable Evidence Objective.</p>	1																				
8.	<p>“Stock is valued at Cost or Net realizable value whichever is lower”. State whether the statement is true or false.</p> <p>Ans: True</p>	1																				
9.	<p>IFRS are based on:</p> <p>a) Historical cost b) Fair value c) Both historical cost and fair value d) None of these</p>	1																				

	Ans: b							
10	<p>Sales is recognized as revenue</p> <p>a) When the contract for sale is entered into. b) At the point of sale or performance of service. c) After the expiry of credit period allowed to debtors. d) After the money collected from the customers.</p> <p>Ans: b</p>	1						
11	<p>State the accounting concept/ convention involved when purchase of pen is treated as expense.</p> <p>Ans: Materiality concept.</p>	1						
12	<p>State one difference between Cash bases and Accrual bases of accounting on the basis of Suitability</p> <table border="1"> <thead> <tr> <th>Basis</th> <th>Cash bases</th> <th>Accrual bases</th> </tr> </thead> <tbody> <tr> <td>Suitability</td> <td>Suitable for NPO and professionals such as CA, Lawyers etc</td> <td>Suitable for businesses</td> </tr> </tbody> </table>	Basis	Cash bases	Accrual bases	Suitability	Suitable for NPO and professionals such as CA, Lawyers etc	Suitable for businesses	1
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Suitability	Suitable for NPO and professionals such as CA, Lawyers etc	Suitable for businesses						
13	<p>Cash Memo is a source voucher for _____ purchaser of goods.</p> <p>Ans. Cash</p>	1						
14	<p>Accrual Bases of accounting recognizes</p> <p>a) Outstanding and Prepaid expenses b) accrued incomes and Income received in advance c) Both (a) and (b) d) None of the above</p> <p>Ans: c</p>	1						
15	<p>What is an Invoice?</p> <p>Ans. Invoice is source document prepared by the seller of goods on credit.</p>	1						
16	<p>Mohan's bank reconciliation statement shows cheques deposited but not credited by bank of ₹.3,800 and cheques issued but not presented by suppliers of ₹.3,500. His bank balance as per Cash Book is ₹.25,000. Balance as per pass book statement is</p> <p>a) ₹.25,000 b) ₹.24,700 c) ₹.25,300 d) ₹.32,300</p> <p>Ans: b</p>	1						
17	<p>Define a cheque.</p> <p>Ans: It is written document drawn upon a specified banker and payable on demand.</p>	1						
18	<p>The term amortization is used to write off _____</p> <p>a) Fixed Assets b) Intangible Assets c) Tangible Assets d) Wasting Assets</p> <p>Ans: b</p>	1						
19	<p>State two errors committed in Cash Book which are considered while preparing Bank Reconciliation Statement.</p> <p>Ans: a) Overcasting or undercasting of bank column of the Cash Book.</p>	1						

	b) Wrong amount recorded in bank column of Cash Book.																																																																		
20	The loss on sale of an asset is debited to _____ Ans: Profit & loss a/c	1																																																																	
22	<p>Explain the following:</p> <p>a) Historical cost principle b) Materiality Principle c) Revenue Recognition concept</p> <p>Ans:</p> <p>a) Historical cost principle: the asset must be shown at its cost price, which is the cost of acquisition less depreciation. b) Materiality principle: Relative importance of an item or an event. An item is recorded in the books on the basis of materiality if there is a reason to believe that knowledge of it would influence the decision of an informed investor. c) Revenue Recognition concept: Revenue is considered to have been realized when a transaction has been entered into and the obligation to receive the amount is established.</p> <p style="text-align: center;">OR</p> <p>What do you mean by Accounting Standards? State any two objectives.</p> <p>Ans:</p> <p>Accounting standards are a set of guidelines i.e. , Generally Accepted Accounting Principles that are followed for preparation and presentation of Financial Statements.</p> <p>Objectives:</p> <p>a) Minimize the diverse accounting policies and practices with the aim to eliminate them to the extent possible. b) Promote better understanding of financial statements.</p>	3																																																																	
21	<p>From the following particulars, prepare a Petty Cash Book for the month of January 2018 :</p> <p>2018</p> <p>Jan 1 Drew for petty cash ₹.5,000 Jan 3 Paid for postage ₹.300 Jan 5 Paid for telephone bill ₹.400 plus CGST and SGST @ 6% each. Jan 8 Paid for cartage ₹.140 Jan 9 Paid for postage ₹.200 Jan 12 Paid for sundries ₹.100 Jan 27 Paid for stationery ₹.300 plus IGST @ 12% each</p> <p style="text-align: center;">Petty Cash Book</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Rec</th> <th>Date</th> <th>In</th> <th>Particulars</th> <th>Payment</th> <th>Postage</th> <th>Telephone</th> <th>Cartage</th> <th>Stationery</th> <th>Misc</th> <th>CGST</th> <th>SGST</th> <th>IGST</th> </tr> </thead> <tbody> <tr> <td></td> <td>2018</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>5,000</td> <td>Jan 1</td> <td></td> <td>To cash</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>Jan 3</td> <td></td> <td>By postage</td> <td>300</td> <td>300</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>Jan 5</td> <td></td> <td>By Tele</td> <td>400</td> <td>400</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Rec	Date	In	Particulars	Payment	Postage	Telephone	Cartage	Stationery	Misc	CGST	SGST	IGST		2018												5,000	Jan 1		To cash											Jan 3		By postage	300	300									Jan 5		By Tele	400	400								3
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			By sund	100					100			
			By Stationer	300				300				
			By In IGST	36								36
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			By Bal c/d	3476								
5000				5000								
3476			To Bal b/d									
1524			To Cash									

23	<p>Explain any four Advantages of accounting.</p> <p>Ans:</p> <p>a) Financial information about business</p> <p>b) Assistance to management</p> <p>c) Replaces memory</p> <p>d) Facilitates comparative study</p> <p style="text-align: center;">OR</p> <p>Discuss in brief the external users of Accounting information.</p> <p>Ans:</p> <p>a) Banks and Financial institutions</p> <p>b) Investors</p> <p>c) Creditors</p> <p>d) Government and its Authorities.</p>	4
24	<p>Pass the Journal entries for the following transactions:</p> <p>a) Purchased goods from Vinita for ₹.1,60,000 plus IGST @ 18% at 10% trade discount and 3% cash discount. Half the amount paid at the time of purchase.</p>	4

- b) Ketan is declared insolvent. Received from his Official Receiver 75paise in a rupee on debt of ₹.1,50,000.
 3) Depreciation of ₹.5,000 was provided on the machinery at the end of the year
 4) Sold household furniture for ₹.50,000 and the proceeds were invested into business.

In the books of _____
 Journal entries

Date	Particulars	I/f	Dr	Cr
1	Purchase a/c Dr Input IGST a/c Dr To Cash a/c To Discount recd a/c To Vinita a/c (Being goods purchased)		1,44,000 25,920	82,411 2,549 84,960
2	Cash a/c Dr Bad debts a/c Dr To Ketan a/c (Being Kiran declared insolvent)		1,12,500 37,500	1,50,000
3	Depreciation a/c Dr To Machinery a/c (Being bricks, cement etc purchased for construction of a Building)		5,000	5,000
4	Cash a/c Dr To Capital a/c (Salary due)		50,000	50,000

25 From the following transactions prepare Mr.Suryakants Ledger a/c:
 2019

- March 1: Owed money to Mr.Suryakant ₹.1,00,000
- March 4: Bought goods from Mr.Suryakant ₹.50,000 @ 10% trade discount plus 12% IGST.
- March 10 Returned goods to Mr.Suryakant ₹. 10,000 list price.
- March 15 Paid to Mr. Suryakant by cheque in full settlement and discount received @ 10 %.

Suryakant's a/c

Date	Particulars	JF	Amount	Date	Particulars	JF	Amount
2019				2019			
Mar 10	To Pur ret a/c		9,000	Mar 1	By bal b/d		1,00,000
	To Input IGST a/c		1,080	Mar 4	By Purchase a/c		45,000
Mar 15	To Bank a/c		1,26,288	Mar 4	By Input IGST a/c		5,400
	To Dis recd a/c		14,032				
			1,50,400				1,50,400

26 Prepare a Double Column Cash Book with Cash and Bank Column from the following information:
 2019

- Jan 1 Cash in hand ₹.6,000 , Bank Balance (Cr) ₹.42,000
- Jan 3 Discounted a 3 month bill for ₹.60,000 at 12%p.a.
- Jan 8 Cash sales ₹.50,400 including IGST @ 12%
- Jan 15 Honoured our own acceptance ₹.36,000 by bank
- Jan 25 Salary paid by cheque ₹.52,000 plus CGST and SGST @ 6%each.
- Jan 28 Deposited into bank ₹.15,000
- Jan 31 Deposited in excess of ₹.6,000 into bank

Ans: Same as set 1

27	<p>From the following information, prepare a Trial Balance of M/s Parul Ltd. for the year ended 31st March 2019:</p> <ul style="list-style-type: none"> · Building ₹.6,00,000; Bank overdraft ₹.1,00,000; Capital ₹.7,36,000; Sales ₹.10,40,000 Machinery ₹.1,70,000; Creditors ₹.5,00,000; Furniture ₹.56,000; Debtors ₹.6,00,000 Return outwards ₹.26,000; Purchases ₹.10,00,000; Bad Debts ₹.28,000; Cash ₹.4,000; Discount received ₹.30,000; Interest received ₹.26,000, Reserve ₹. 2,00,000; Motor vehicle ₹. 2,00,000 <p>Ans: Same as Set 1</p>	4
28	<p>Show an Accounting Equation for the following transactions:</p> <ul style="list-style-type: none"> · a) Mohan commenced business with cash ₹.1,00,000 and ₹.2,00,000 by cheque; goods ₹.1,20,000; machinery ₹.2,00,000 and Loan ₹.1,00,000. b) 1/3rd of the above goods sold at a profit of 10% on cost and half the payment is received in cash. c) Depreciation on machinery provided 10%. d) Rent outstanding ₹.2,000 e) Bought refrigerator for personal use ₹.5,000. f) Accrued interest ₹.500 <p>Ans: Same as Set 1</p>	6
29	<p>The Cash Book of Rohan showed an overdraft balance of ₹. 60,000 on 30th September 2018 with his bank. On investigation it was found that:</p> <ul style="list-style-type: none"> · 1) Receipts Side of Cash book was undercast by ₹. 40,000 2) A cheque of ₹.24,000 received from his customer and deposited into his bank was dishonoured and debited by bank before 30th September 2018, but no entry for dishonor was passed in Cash Book. 3) Bank had debited ₹. 5,600 as interest on overdraft up to 30th Sepetember, 2018 but no entry was passed in Cash book. 4) Cheque issued amounting to ₹. 28,000 had not been presented for payment to the Bank upto 30th September 2018. 5) Cheques amounting to ₹. 20,000 entered in the Receipts side of the Cash book and deposited into the Bank have not been credited by Bank upto 30th September, 2018. 6) A cheque for ₹. 12,000 drawn by another customer of the Bank of similar nature had been debited to the account of Rohan in error. <p>Prepare an Amended Cash Book and Bank Reconciliation Statement as on 30th September, 2018.</p> <p>Ans: Same as Set 1</p>	6
30	<p>Following are the balances as on 1st April 2015:</p> <ul style="list-style-type: none"> · Machinery a/c ₹. 2,50,000 Provision for Depreciation ₹. 58,000 <p>Depreciation is charged on machinery at 20% p.a. by Diminishing Balance Method. A piece of machinery purchased on 1st April 2013 for ₹. 50,000 was sold on 1st October 2015 for ₹. 30,000. Prepare Machinery a/c, Machinery Disposal a/c and Provision for depreciation a/c for the year ended 31st March 2016.</p> <p>OR</p> <p>Following balances appear in the books of Deepali, as on 1st April 2018:</p> <ul style="list-style-type: none"> · Machinery a/c ₹. 4,00,000 Provision for depreciation a/c ₹. 1,55,000 <p>On 1st July, 2018 machinery which was purchased on 1st April 2015 for ₹. 60,000 was sold for ₹. 25,000 and on the same date machinery was purchased for ₹. 16,000. The firm charges depreciation @15%p.a. on fixed instalment method and closes its books on 31st March every year. Prepare Machinery a/c , Machinery disposal a/c and provision for depreciation a/c for the year 2018-2019.</p>	6

	Ans: Same as Set 1	
31	<p>From the following transactions of the month of April, 2019, prepare the Proper Subsidiary books of Jindal & Co. Delhi a saree dealer, post them into the ledger.</p> <p>2019</p> <p>April 1 Started Business with cash ₹.1,00,000</p> <p>April 2 Deposited into bank ₹.25,000</p> <p>April 2 Purchased on credit from Goyal Mills, Surat 250 polyester sarees @ ₹.600 each.</p> <p>April 3 Purchased on credit from Bansal & Co., 2 typewriters @ ₹.2,100 each.</p> <p>April 5 Sold on credit to Goyal & Co., 500 polyester sarees @ ₹.750 each.</p> <p>April 10 Sold for cash to Garg & Co., Punjab 200 Kota sarees @ ₹. 300 each.</p> <p>April 12 Returned to Goyal mills, Surat 50 polyester sarees @ ₹. 600 each.</p> <p>April 22 Goyal & Co. became insolvent and paid only 80 paise in a rupee in full and final settlement.</p> <p>April 24 Rent due to landlord, Ram ₹.600.</p> <p style="text-align: center;">OR</p> <p>Enter the following transactions in to proper Subsidiary books, post them into the ledger.</p> <p>Jan 01 Mahapatra started business with cash ₹.1,80,000</p> <p>Jan 04 Goods purchased from Tara for ₹. 22,400</p> <p>Jan 05 Goods purchased for cash ₹.30,000</p> <p>Jan 08 Goods sold to Naman ₹.12,000 less 10% trade discount.</p> <p>Jan 18 Furniture purchased for office use ₹.5,600</p> <p>Jan 20 Naman returned goods of ₹.2,000 list price.</p> <p>Jan 25 Rent due to landlord ₹.5,000</p> <p>Ans: same as SET 1</p>	8
32	<p>Record the following transactions of Heena Garments, Assam into Purchase book and Sales Return book.</p> <p>2019</p> <p>April 1 Purchased Readymade shirts from Monty of Delhi of the list price of ₹.80,000 less 10% trade discount plus IGST @ 12%.</p> <p>April 3 Sold Ladies dresses for cash ₹.10,000</p> <p>April 5 Sold Readymade pants to M/s Mintu, Assam for ₹.20,000 less trade discount 10% charged CGST and SGST @ 6% each.</p> <p>April 10 Purchased Readymade dresses for children from Naina Ltd. Assam for ₹.30,000 less 15% trade discount plus CGST and SGST @ 6 % each. .</p> <p>April 12 Sold to M/s. Minal ltd. 100 Sarees @ ₹.2,000 each less trade discount @ 10%.</p> <p>April 15 M/s Mintu returned the Readymade pants to us for ₹. 2,000 gross price.</p> <p>April 20 Returned to Naina Ltd. Assam Readymade dresses for children of ₹.5,000 invoice price.</p> <p>April 25 M/s Minal Ltd. returned 10 Sarees @ ₹.2,000 each gross price.</p> <p style="text-align: center;">OR</p> <p>Record the following transactions of Hemant Ltd, Delhi into Sales book and Purchase Return book.</p> <p>2019</p> <p>January 1 Purchased from M/s Linsu of Delhi 50 Registers @ ₹.300 less 10% trade discount plus CGST and SGST @ 6% each..</p> <p>January 5 Sold to M/s Nahum of Amritsar 100 gross registers @ ₹.50 per dozen. Less 10% trade discount plus IGST @ 12%.</p> <p>January 10 Returned to M/s Linsu 5 Registers @ ₹.300 list price.</p> <p>January 7 Sold 20 dozen exercise books @ ₹.600 each to M/s Mathur, Haryana @ 15 % trade discount plus IGST @ 12%.</p>	8

January 10 Returned 12 Registers @ ₹.300 list price to M/s Linsu. January 15 Sold stationery for cash ₹.1,000. January 20 Sold 5 Computer printer to M/s Leena @ ₹. 2,000 each.	
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Ans: same as SET 1