

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

1.	<p>Which of the following is not a qualitative characteristic of accounting information? a) Reliability b) Understand ability c) Comparability d) Materiality Ans: Materiality</p>	1																				
2.	<p>Match the following:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-left: 20px;"> <thead> <tr> <th style="width: 5%;"></th> <th style="width: 45%;">A</th> <th style="width: 5%;"></th> <th style="width: 45%;">B</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Debentures</td> <td style="text-align: center;">A</td> <td>Fictitious assets</td> </tr> <tr> <td style="text-align: center;">2</td> <td>Trademark</td> <td style="text-align: center;">B</td> <td>Current Liabilities</td> </tr> <tr> <td style="text-align: center;">3</td> <td>Creditors</td> <td style="text-align: center;">C</td> <td>Intangible fixed assets</td> </tr> <tr> <td style="text-align: center;">4</td> <td>Deferred revenue expenditure</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	Debentures	A	Fictitious assets	2	Trademark	B	Current Liabilities	3	Creditors	C	Intangible fixed assets	4	Deferred revenue expenditure	D	Long term liabilities	1
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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. 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. Ans: No. it will not be recorded as it is not a transaction.</p>	1																				
5.	<p>Which external user of accounting information is most interested in knowing the long-term solvency position of the firm? a) Employees b) Management c) Bank and Financial Institutions d) Researchers Ans: Bank and Financial Institutions</p>	1																				
6.	<p>A person to whom money is owed by a firm for purchase of goods is called a _____ Ans: Creditor</p>	1																				
7.	<p>Under which concept if advance is received against sale of goods, the advance received is recorded as 'Advance Against Sale' and not sales? Ans: Revenue Recognition Concept.</p>	1																				
8.	<p>“Stock is valued at Cost or Net realizable value whichever is lower”. State whether the statement is true or false. Ans: True</p>	1																				
9.	<p>IFRS are based on: a) Historical cost b) Fair value c) Both historical cost and fair value d) None of these Ans: b</p>	1																				
10	<p>Sales is recognized as revenue a) When the contract for sale is entered into. b) At the point of sale or performance of service.</p>	1																				

	c) After the expiry of credit period allowed to debtors. d) After the money collected from the customers. Ans: b							
11	State the accounting concept/ convention involved when purchase of pen is treated as expense. Ans: Materiality concept.	1						
12	State one difference between Cash bases and Accrual bases of accounting on the basis of Legal position. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Basis</th> <th style="width: 33%;">Cash bases</th> <th style="width: 33%;">Accrual bases</th> </tr> </thead> <tbody> <tr> <td>Legal position</td> <td>Not recognized by the Companies Act 2013</td> <td>Recognized by the companies Act 2013</td> </tr> </tbody> </table>	Basis	Cash bases	Accrual bases	Legal position	Not recognized by the Companies Act 2013	Recognized by the companies Act 2013	1
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13	_____ is a source document for having deposits made in the bank. Ans. Pay-in-slip	1						
14	Accrual Bases of accounting recognizes a) Outstanding and Prepaid expenses b) accrued incomes and Income received in advance c) Both (a) and (b) d) None of the above Ans: c	1						
15	What is an Invoice? Ans. Invoice is source document prepared by the seller of goods on credit.	1						
16	Mohan's bank reconciliation statement shows cheques deposited but not credited by bank of ₹.7,600 and cheques issued but not presented by suppliers of ₹.7,000. His bank balance as per Cash Book is ₹.50,000. Balance as per pass book statement is a) ₹.50,000 b) ₹.49,400 c) ₹.50,600 d) ₹.46,600 Ans: b	1						
17	Define a cheque. Ans: It is written document drawn upon a specified banker and payable on demand.	1						
18	Depreciation arises because of a) Wear and tear b) Inflation c) Fall in the value of the asset d) None of these Ans: a	1						
19	State two errors committed in Cash Book which are considered while preparing Bank Reconciliation Statement. Ans: a) Overcasting or undercasting of bank column of the Cash Book. b) Wrong amount recorded in bank column of Cash Book.	1						
20	The loss on sale of an asset is debited to _____ Ans: Profit & loss a/c	1						
21	Explain the three Fundamental accounting assumptions or concepts. Ans: a) Going concern b) Consistency c) Accrual concept	3						

OR

Explain any three Accounting principles.

Ans.

- a) Business entity
- b) Materiality
- c) Historical

From the following particulars, prepare a Petty Cash Book for the month of January 2018 :

- 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

Petty Cash Book

Rec	Date	In v	Particulars	Payme nt	Postag e	Tele p	Cartag e	stat i	Misc e	CGS T	SGS T	IGS T
	2018											
5,000	Jan 1		To cash									
	Jan 3		By postage	300	300							
	Jan 5		By Tele	400	400							
			By In CGST	24						24		
			By In SGST	24							24	
			By cartage	140			140					
			By postage	200	200							
			By sund	100					100			
			By Stationer	300				300				
			By In IGST	36								36
				1524	500	400	140	300	100	24	24	36
			By Bal c/d	3476								
5000				5000								

3476			To Bal b/d									
1524			To Cash									

23 Define Accounting information. Explain any three internal users of Accounting information.
 Ans: Accounting information refers to the financial statements generated through the process of Book keeping, use of which helps the users to arrive at decisions.
 Internal users:
 a) Owners
 b) Management
 c) Employees and workers

OR

Discuss in brief the functions of Accounting information.
 Ans:
 a) Maintaining systematic accounting records
 b) Preparation of Financial statements
 c) Meeting Legal requirements
 d) Communicating the financial information.

24 Pass the Journal entries for the following transactions:
 a) Sold goods to Veera for ₹.2,40,000 plus IGST @ 18% at 10% trade discount and 3% cash discount. Half the amount paid at the time of purchase.
 b) Kanishk is declared insolvent. Received from his Official Receiver 75paise in a rupee on debt of ₹.1,50,000.
 3) Wages paid for installation of a Machinery ₹.30,000.
 4) Accrued Income ₹.50,000.

In the books of _____
 Journal entries

Date	Particulars	l/f	Dr	Cr
1	Cash a/c Dr Discount recd a/c Dr Veera a/c To Sales a/c To Output IGST a/c (Being goods purchased)		123617 3823 127440	216000 38880
2	Cash a/c Dr Bad debts a/c Dr To Kiran a/c (Being Kiran declared insolvent)		1,12,500 37,500	1,50,000
3	Machinery a/c Dr To Bank a/c (Being bricks, cement etc purchased for construction of a Building)		30,000	30,000
4	Accrued Income a/c Dr To Income a/c (Accrued income)		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																																																									
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26	<p>Prepare a Double Column Cash Book with Cash and Bank Column from the following information: 2019</p> <p>Jan 1 Cash in hand ₹.6,000 , Bank Balance (Cr) ₹.42,000</p> <p>Jan 3 Discounted a 3 month bill for ₹.60,000 at 12%p.a.</p> <p>Jan 8 Cash sales ₹.50,400 including IGST @ 12%</p> <p>Jan 15 Honoured our own acceptance ₹.36,000 by bank</p> <p>Jan 25 Salary paid by cheque ₹.52,000 plus CGST and SGST @ 6%each.</p> <p>Jan 28 Deposited into bank ₹.15,000</p> <p>Jan 31 Deposited in excess of ₹.6,000 into bank</p> <p>Ans: same as Set 1</p>	4																																																								
27	<p>From the following information, prepare a Trial Balance of M/s Parul Ltd. for the year ended 31st March 2019:</p> <p>Building ₹.6,00,000; Bank overdraft ₹.1,00,000; Capital ₹.7,36,000; Sales ₹.10,40,000</p> <p>Machinery ₹.1,70,000; Creditors ₹.5,00,000; Furniture ₹.56,000; Debtors ₹.6,00,000</p> <p>Return outwards ₹.26,000; Purchases ₹.10,00,000; Bad Debts ₹.28,000; Cash ₹.4,000;</p> <p>Discount received ₹.30,000; Interest received ₹.26,000, Reserve ₹. 2,00,000; Motor vehicle ₹. 2,00,000</p> <p>Ans: same as SET 1</p>	4																																																								
28	<p>Show an Accounting Equation for the following transactions:</p> <p>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.</p> <p>b) 1/3rd of the above goods sold at a profit of 10% on cost and half the payment is received in cash.</p> <p>c) Depreciation on machinery provided 10%.</p> <p>d) Rent outstanding ₹.2,000</p> <p>e) Bought refrigerator for personal use ₹.5,000.</p> <p>f) Accrued interest ₹.500</p> <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> <ol 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: Amended Cash Book as on 30th September 2018 Same as set 1</p>	6																																																								
30	<p>Following are the balances as on 1st April 2015:</p> <p>Machinery a/c ₹. 2,50,000</p>	6																																																								

	<p>Provision for Depreciation ₹. 58,000 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 Following balances appear in the books of Deepali, as on 1st April 2018: Machinery a/c ₹. 4,00,000 Provision for depreciation a/c ₹. 1,55,000 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. Ans: Same as Set 1</p>	
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 and prepare a trial balance.</p> <p>2019 April 1 Purchased on credit from Goyal Mills, Surat 250 polyester sarees @ ₹.600 each. April 3 Purchased on credit from Bansal & Co., 2 typewriters @ ₹.2,100 each. April 5 Sold on credit to Goyal & Co., 500 polyester sarees @ ₹.750 each. April 10 Sold for cash to Garg & Co., Punjab 200 Kota sarees @ ₹. 300 each. April 12 Returned to Goyal mills, Surat 50 polyester sarees @ ₹. 600 each. April 22 Goyal & Co. became insolvent and paid only 80 paise in a rupee in full and final settlement. 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 to ledger and draw a Trial Balance.</p> <p>Jan 01 Mahapatra started business with cash ₹.1,80,000 Jan 04 Goods purchased from Tara for ₹. 22,400 Jan 05 Goods purchased for cash ₹.30,000 Jan 08 Goods sold to Naman ₹.12,000 less 10% trade discount. Jan 18 Furniture purchased for office use ₹.5,600 Jan 20 Naman returned goods of ₹.2,000 list price. Jan 25 Rent due to landlord ₹.5,000 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 April 1 Purchased Readymade shirts from Monty of Delhi of the list price of ₹.80,000 less 10% trade discount plus IGST @ 12%. April 3 Sold Ladies dresses for cash ₹.10,000 April 5 Sold Readymade pants to M/s Mintu, Assam for ₹.20,000 less trade discount 10% charged CGST and SGST @ 6% each. April 10 Purchased Readymade dresses for children from Naina Ltd. Assam for ₹.30,000 less 15% trade discount plus CGST and SGST @ 6 % each. . April 12 Sold to M/s. Minal ltd. 100 Sarees @ ₹.2,000 each less trade discount @ 10%. April 15 M/s Mintu returned the Readymade pants to us for ₹. 2,000 gross price. April 20 Returned to Naina Ltd. Assam Readymade dresses for children of ₹.5,000 invoice price. 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 January 1 Purchased from M/s Linsu of Delhi 50 Registers @ ₹.300 less 10% trade discount plus CGST and SGST @ 6% each..</p>	8

January 5 Sold to M/s Nahum of Amritsar
100 gross registers @ ₹.50 per dozen. Less 10% trade discount plus IGST @ 12%.
January 10 Returned to M/s Linsu 5 Registers @ ₹.300 list price.
January 7 Sold 20 dozen exercise books @ ₹.600 each to M/s Mathur, Haryana @ 15 % trade
discount plus IGST @ 12%.
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.

Ans: same as SET 1