



ACCOUNTANCY
Class – XI

Time allowed: 3 hours

Maximum Marks: 90

General Instructions:

1. This question paper contains Two parts A & B.
 2. Both the parts are compulsory for all.
 3. All parts of questions should be attempted at one place.
 4. Marks are given at the end of each question.
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Part – A (Financial Accounting – I)

1. Write down one advantage of accounting. (1)
 2. Which concept valued 'Closing Stock' at lower of Cost or Market Price. (1)
 3. Name any two external users of accounting. (1)
 4. Give one advantage of Accounting Standards (AS) issued by ICAI. (1)
 5. Write any two intangible fixed assets. (1)
 6. What do you mean by a Voucher? (1)
 7. Prepare 'Accounting Equation' from the following:
(a) Started business with Cash Rs.1,00,000.
(b) Purchased goods for cash Rs.20,000 and on credit Rs.30,000.
(c) Sold goods for cash costing Rs.10,000 and on credit costing Rs.15,000 both at a profit of 20%. (3)
 8. Distinguish between Bill of Exchange and Promissory Note on the basis of :
(a) Drawer (b) Acceptance (c) Payee (3)
 9. Give three objective of Accounting Standards (AS) issued by ICAI. (3)
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10. Differentiate between Reserve and Provision. (3)
11. Explain the following Principles/Assumptions of Accounting :
(a) Prudence or Conservatism Principle
(b) Consistency Assumption
(c) Accrual Assumption. (6)
12. Give Journal entries for the following:
(i) Goods worth Rs.400 were given as charity out of business.
(ii) Received cash Rs.500 of a bad debt written off last year.
(iii) Interest charged on drawings @5%. Total drawings were Rs.10,000.
(iv) Life insurance premium paid Rs.600.
(v) Received Rs.975 from Mohan in full settlement of his account of Rs.1,000.
(vi) Received a first and final dividend of 60 paise in a rupee from the official receiver of Mr. Vinod, who owed us Rs.1000. (6)
13. The transactions for the month of March 2014 of M/s Vinod & Co. are furnished here as under. You are required to enter the same in an appropriate Cash Book:
March 1 Cash in hand Rs.415 and Cash at Bank Rs.2,530.
March 2 Paid wages by cheque Rs.950.
March 5 Made cash purchases Rs.150.
March 15 Received Rs.530 by cheque from Krishna and allowed him discount Rs.20.
March 16 Paid cheque to Mohan Rs.400 in full settlement of his account 415.
March 18 Cash sales amounted to Rs.150.
March 20 Bought furniture for Rs.300, paid by cheque.
March 22 Bank credited the account with Rs.200 for interest.
March 25 Received a cheque for Rs.250 from Suresh and allowed him discount Rs.10.
March 30 Deposited cash into Bank Rs.300 (6)
14. Prepare a Bank Reconciliation Statement as on 30.09.2013 from the following particulars:
(i) Bank Balance as per passbook Rs.10,000
(ii) Cheque deposited into bank but no entry was passed in the cash book Rs.500.
(iii) Cheque received and entered in cash book but not sent to bank Rs.1,200.
(iv) Insurance premium paid directly by the bank Rs.800.
(v) Bank charges entered twice in the cash book Rs.20.
(vi) Cheque received entered twice in cash book Rs.1,000.
(vii) Bill discounted dishonoured not recorded in the cash book Rs.5,000. (6)
15. A firm purchased on 1st January, 1998 certain Machinery for Rs.5,82,000 and spent Rs.18,000 on its erection. On 1st July, 1998, additional machinery costing Rs.2,00,000 was purchased. On 1st July, 2000, the machinery purchased on 1st January, 1998 was auctioned for Rs.2,86,000 and a fresh machinery for Rs.4,00,000 was purchased on same date. Depreciation was provided annually on 31st December at the rate of 10% on written down value method.
Prepare Machinery Account from 1998 to 2000. (8)
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Part – B (Financial Accounting – II)

16. What is the use of financial statements for :

- (i) Investors (ii) Employees (iii) Trade Unions (3)

17. Differentiate between Manual and Computerized Accounting System. (3)

18. Vinod started his business on 1st January, 2003 with capital of Rs.1,10,000. On 1st July, 2003 he borrowed Rs.80,000; from his friend on interest @12% p.a. (which is not yet paid). On 31st December, 2003 his position was as follows:

Cash in hand Rs.18,000; Stock Rs.86,000; Debtors Rs.1,27,200 and Creditors Rs.13,500. He withdrew Rs.36,000 for his domestic use during the year.

Ascertain his profit or loss at the end of the year. (4)

19. Show the treatment of subscriptions for the year ending March 31, 2010 are given below:

Subscriptions	Amount
2008 -09	1,000
2009-10	28,000
2010-11	500

Additional Information:

Total number of members 1000

Annual membership fee Rs.30

Subscription outstanding on 31st March 2009 Rs.1,300. (4)

20. Show how would you deal with the following as a Non-Profit organization: (4)

Particulars	Amount
Poor Girls' Marriage Fund	1,00,000
Donations received towards the fund	1,00,000
Expenditures made during the year on Poor Girl' Marriage	4,50,000

21. From the following information, calculate Capital at the beginning:

Capital at the end of the year Rs.4,00,000

Drawings made during the year Rs.60,000

Fresh Capital introduced during the year Rs.1,00,000

Profit of the current year Rs.80,000. (4)

22. Give the meaning of operating software, utility software and application software with suitable examples. (4)

23. Show The treatment of the following items in the Profit and Loss Account and Balance Sheet and also prepare provision for doubtful debts:



Trial Balance

Particulars	Debit (Rs.)	Credit (Rs.)
Debtors	40,300	--
Provision for Doubtful Debts	--	2,000
Bad Debts	700	--

Adjustments:

- (i) There was further bad debt of Rs.300.
- (ii) Make a provision for doubtful debts @5%.
- (iii) Create discount on debtors @ 2%.

(6)

24. The following were the balances of Vinod Bros. as on 31 March 2014:

Particulars	Debit (Rs.)	Credit (Rs.)
Cash in Hand	540	
Cash at Bank	2,630	
Purchases	40,675	
Return Inwards	680	
Wages	8,480	
Fuel and Power	4,730	
Carriage on Sales	3,200	
Carriage on Purchases	2,040	
Stock (opening)	5,760	
Building	32,000	
Freehold Land	10,000	
Machinery	20,000	
Salaries	15,000	
Patents	7,500	
General Expenses	3,000	
Insurance	600	
Drawings	5,245	
Sundry Debtors	14,500	
Sales A/c		98,780
Return outwards		500
Capital A/c		62,000
Sundry Creditors		6,300
Rent		9,000
	1,76,580	1,76,580

Adjustments:

- (i) Rent Receivable Rs.1,000.
- (ii) Closing stock on 31st March 2014 was Rs.6,800.
- (iii) Machinery is to be depreciated at the rate of 10% and patents @ 20%.
- (iv) Salaries outstanding for the month of March 2014 Rs.1,500.
- (v) Insurance includes a premium of Rs.170 on a policy expiring on 30th September 2014.
- (vi) Further Bad Debts are Rs.725. Create a provision @ 5% on Debtors.

(8)