

AMRITA VIDYALAYAM

ANNUAL EXAMINATION 2018 - '19

Class : XI

Marks : 90

Time : 3 hrs

ACCOUNTANCY

1. 'Cash Memo' a source document or an Accounting Voucher? 1
2. Ms Vinod Bros. is not following the Double Entry System while preparing books of accounts. They are preparing accounting on the basis of the Single Entry System. Give any two limitations which they may face in future. 1
3. 'Manual Accounting is not that effective: computerized accounting system is better'. How would you explain this statement? 1
4. What is Noting Charge? 1
5. Profit is earned on sale of fixed asset, what should be the accounting treatment of it? 1
6. A Bill of Exchange was drawn on 11th July 2018. Its term was 1 month. What will be the date of maturity? 1
7. Explain the following Assumptions / Principles of Accounting. 3
 - a) Prudence Principle
 - b) Historical Cost Principle
 - c) Accrual Assumption
8. Rahul sold 100 Cricket Bats to V Sports @ ` 5,000 each less 25% Trade Discount plus IGST @ 12% and 2% Cash Discount if V Sports paid the amount in 14 days of sale. V Sports paid the amount within 14 days. Show the journal entries in the books of Rahul. 3
9. Define the Bill of Exchange. What are the options available to a receiver of a Bill of Exchange? 3
10. Mention different types of errors. 3
11. What are the advantages of Computerized Accounting? 3
12. Briefly state the rules of Debiting and Crediting accounts classified on the basis of Accounting Equation. 3
13. Manu started business with a capital of ` 4,00,000 on 1st October 2015. He borrowed from his friend a sum of ` 1,00,000. He brought further ` 75,000 as capital on 31st March 2016. His position was: Cash - ` 30,000; Stock - ` 4,70,000; Debtors - ` 3,50,000; Creditors - ` 3,00,000. He withdrew ` 8,000 per month during this period. Calculate profit or loss for the period. 4
14. Give any four points of distinction between Reserve and Provision. 4
15. Raman has the following transactions. Show accounting equation for the same. 4
 - a) Commenced business with cash ` 80,000.
 - b) Paid rent in advance ` 1,000.
 - c) Purchased goods for cash ` 30,000 and credit ` 20,000.
 - d) Sold goods costing ` 20,000 for ` 30,000.
 - e) Paid Salary ` 800 and Salary outstanding ` 200.
16. Rectify the following errors by passing entries and identify the values involved. 4
 - a) ` 4,800 received from Rajiv wrongly entered as from Rajesh.
 - b) The purchase book was under - cast by ` 2,500.
 - c) Total of sales return was under - cast by ` 8,100.
17. In spite of all efforts by the accounting team for the agreement of trial balance, the difference is placed temporarily in Miscellaneous Expense Account. Is this decision correct? If not, name the account in which the difference should have been placed explaining the nature of the account? 4
18. State whether the following expenses are capital or revenue in nature. 6
 - a) Purchased a new car.
 - b) Excise duty paid on purchase of a new machine.
 - c) Insurance premium paid as renewal premium.
 - d) Repairs carried out on an existing machine.

- e) Office building repainted for ` 50,000.
 f) Paid telephone Bill ` 5,000.
19. Enter the following transactions in the Double Column Cash Book of M/s. Gupta Store. **6**
 2018
- | | | |
|---------|--|-------|
| June 1 | Cash in Hand ` 800, Bank overdraft ` 5,700. | |
| June 7 | Received a cheque from Bharati, discount allowed ` 150 | 3,250 |
| June 9 | Deposited the above cheque into Bank. | |
| June 15 | Cheque received from Panna Lal. | 1,200 |
| June 20 | Bharati's cheque returned dishonoured. | |
| June 28 | Panna Lal's cheque was endorsed by Kamal. | |
| June 30 | Income tax paid by cheque. | 150 |
20. Prepare a Bank Reconciliation Statement of Mr. Varma on 31 May 2017 from the following. **6**
- a) Dr. Balance as per Pass Book ` 50,000.
 - b) Cheque issued to Mr. Himesh for ` 2,000 not entered in Cash Book.
 - c) Mr. Dhanraj (debtor) deposited an amount of ` 1,000 directly into the bank account of Mr. Varma.
 - d) Cheque received from Mr. Dhruv 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 of ` 200 for interest.
 - f) Bank charges ` 500 entered twice in the cash book.
21. On 15th January, 2016 Sachin sold goods for ` 30,000 to Narain and drew upon latter 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 31st 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 the journal entries in the books of Sachin. **8**
22. A company purchased on 1st July, 2015 machinery costing ` 30,000. It further purchased machinery on 1st January, 2016 costing ` 20,000 and on 1st October, 2016 costing ` 10,000. On 1st April, 2017, one-third of the machinery installed on 1st July, 2015 became obsolete and was sold for ` 3,000. The company follows financial year as accounting year. Show how the Machinery Account would appear in the books of the company if depreciation is charged @10% p.a. on Written Down Value Method. **8**

23. Sanjiv started business on 1st April 2017 with a capital of ₹ 3,00,000. Following Trial Balance was drawn up from his books at the end of the year.

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Heads of Accounts	Debit Balances (₹)	Heads of Accounts	Credit Balances (₹)
Drawings	45,000	Capital	4,00,000
Plant Fixtures	80,000	Sales	16,00,000
Purchases	11,60,000	Sundry Creditors	1,20,000
Carriage Inwards	20,000	Bills Payable	90,000
Returns Inward	40,000		
Wages	80,000		
Salaries	1,00,000		
Printing and Stationery	8,000		
Advertisement	12,000		
Trade Charges	6,000		
Rent and Taxes	14,000		
Sundry Debtors	2,50,000		
Bills Receivable	50,000		
Investments	1,50,000		
Discounts	5,000		
Cash at Bank	1,60,000		
Cash in Hand	30,000		
	22,10,000		22,10,000

Value of Stock on 31st March was ₹ 2,60,000. You are required to prepare his Trading and Profit and Loss Account for the year ended 31st March, 2018 and Balance Sheet as at that date after taking the following facts into account.

- Plant and Fixtures are to be depreciated by 10%.
- Salaries outstanding on 31st March, 2018 amounted to ₹ 35,000.
- Accrued interest on investment amounted to ₹ 7,500.
- ₹ 5,000 are Bad Debts and as Provision for Doubtful Debts are to be created at 5% of the balance of debtors.