

Model Test Paper - 2011

Grade : XI

Max. Marks : 100

Subject : Accountancy

Time : 3 Hrs.

INSTRUCTIONS :

- i) All questions are compulsory.
- ii) Marks for each question are indicated against it.
- iii) At places, alternate questions are provided.
- iv) Use / draw proper columns wherever required .
- v) Avoid overwriting/cutting.
- vi) Use of calculator is not allowed.

PART – A

FINANCIAL ACCOUNTING – I

- Q.1 What do you understand by retirement of a bill of exchange ? 1
- Q.2 Name the Accounting Concept in which the tendency to resolve uncertainty & doubt in favour of overstating liabilities & expenses & understating assets and revenues is followed. 1
- Q.3 Give any one example of error of commission. 1
- Q.4 Is trial balance a conclusive proof of the accuracy of the books of accounts ? 1
- Q.5 State the three parties involved in a bill of exchange. 1
- Q.6 Explain the following terms in brief : 3
- a) Debtors b) Voucher c) Capital
- Q.7 Show the effect of following transactions on Accounting Equation : 3
- i) Started business with cash amounting to Rs. 35,000 and goods Rs. 15,000.
 - ii) Interest due but not paid Rs.100
 - iii) Accrued Interest Rs.500
 - iv) Commission received in advance Rs.625
 - v) Interest on drawings Rs.125
- Q.8 Pass Journal entries for the following : 3
- a) Interest paid on Bank loan Rs. 525
 - b) Interest on drawings Rs. 735
 - c) Goods given as charity during the year Rs.500 .
- Q.9 “The role of Accounting has changed over the period of time”. Discuss 4

- Q.10 Distinguish between 'Revenue Reserve' and 'Capital Reserve' . 4
- Q.11 Prepare double column Cash Book from the following transactions : 4
2008
- Jan.1 Commenced business with cash Rs.50,000
 - Jan.2 Deposited into bank Rs. 40,000
 - Jan.3 Bought goods by cheque Rs 25,000
 - Jan.5 Sold goods for cheque Rs.20,000 and deposited into bank the same day.
 - Jan.5 Paid to Arun by cheque Rs.1,900 in full settlement of his account Rs. 2,000.
 - Jan.6 Drew from bank for office use Rs. 1,000.
- Q.12 Explain the following with examples : 6
- a) Business entity concept
 - b) Matching concept
 - c) Principle of Consistency
- Q.13 Prepare Bank Reconciliation Statement of Sohan on 30th June, 2008 with the following particulars : 6
- a) Pass book showed an overdraft of Rs. 15,000 on 30th June,2008.
 - b) A cheque of Rs. 200 was deposited in bank but not recorded in cash book
 - c) Cheques of Rs.17,000 were issued but cheques worth Rs. 10,000 only were presented for payment upto 30th June.
 - d) Cheques of Rs. 2,000 were received, recorded in cash book but not sent to bank.
 - e) Cheques of Rs10,000 were sent to bank for collection.Out of these,cheques of Rs.2,000 and of Rs. 1,000 were credited respectively on 8th July and 10th July.
 - f) Rs.40 for bank charges were recorded two times in cash book.
- Q.14 Rectify the following errors : 6
- a) Supreeti was paid cash Rs.2,800 but Jyoti was debited by Rs. 2,000.
 - b) Tables and chairs purchased for Rs.5,000 debited to purchases account.
 - c) Machinery was written off by Rs. 1,000 has not been posted to depreciation a/c.
 - d) Wages amounting to Rs.7,000 for machinery erection was detailed to purchase a/c.
 - e) Goods purchased for Rs. 1,000 for proprietors' use was debited to purchases a/c.
 - f) Goods purchased for Rs. 5,000 were posted as Rs. 500 to purchases account.

Q.15 Zeeba Ltd. purchased machinery on 1.1.95 for Rs.40,000. It purchased additional Machinery on 1.7.95 for Rs. 20,000 and another machine worth Rs. 10,000 on Oct.1, 1996. On 1. 7. 96, the machinery purchased on July1,1995 was sold for Rs. 10,000 and on Oct.1,1997, it sold the first machinery purchased on 1.1.95 for Rs.25,000.On the same date it purchased new machinery worth Rs. 40,000. The company follows the diminishing balance method of depreciation @ 10% p.a. Show the machinery a/c from 1995 to 1997. Books of accounts are closed on December 31 every year. 8

OR

Carriage Transport Company purchased 5 trucks at the cost of Rs.2,00,000 each on April 1 2001.The company writes off depreciation @20% p.a. on original cost and closes its books on December 31, every year. On Oct.1, 2003, one of the trucks was involved in accident and was completely destroyed. Insurance company agreed to pay Rs.70,000 in full settlement of the claim. On the same date the company purchased a second hand truck for Rs.1,00,000 and spent Rs.20,000 on its overhauling. Prepare Truck Account & Provision For Depreciation Account for three years ended on Dec.31, 2003.

Q.16 Ashok sold goods of Rs.14,000 to Bishan on October 30, 2008 and drew three bills for Rs. 2,000, Rs. 4,000 and Rs. 8,000 payable after two, three and four months respectively. The first bill was kept by Ashok with him till maturity.He endorsed the second bill in favour of his creditor Chetan. Third bill was discounted on Dec ember3, 2008 @ 12% p.a. The first and second bills were duly met on maturity but the third bill was dishonoured and bank paid Rs. 50 as noting charges. On March 3, 2006 Bishan paid Rs. 4,000 and noting charges in cash and accepted a new bill at two months after date for the balance plus interest Rs. 100. The new bill was met on maturity by Bishan.

You are required to give journal entries and prepare Bishan's A/C in the books of Ashok. 8

OR

A bill for Rs. 1,000 is drawn by A on B and accepted by the later payable at the New Bank of India. Show what entries should be passed in the books of A under each of the following circumstances :

- i) If A discounted the bill with his bankers for Rs.950.
- ii) If he endorsed it to his creditor C in full settlement of his debt Rs. 1050.
- iii) If he sent it to his banker for collection.

Also give necessary entries in each of the cases if the bill is dishonoured.

PART – B

FINANCIAL ACCOUNTING – II

- Q.17 What do you understand by SQL ? 1
Q.18 What is operating profit ? 1
Q.19 Give two examples of deferred revenue expenditure. 1
Q.20 What do you understand by data ? How does it differ from DBMS ? 3
Q.21 From the following information, Calculate the amount of Net Sales by preparing
Total Bills Receivable and Total Debtors Account. 4

	Rs.
Debtors as on April1, 2005	65,000
Debtors as on March31, 2006	50,000
Bills Receivable as on April1, 2005	23,000
Bills Receivable as on March31, 2006	29,000
Cash received from debtors	3,02,000
Discount allowed	8,000
Cash received against bills receivable	21,000
Bad debts	14,000
B/R dishonoured	20,000
Cash sales	2,25,000
Sales Return	17,000

- Q.22 What adjusting entries would you record for the following : 4
a) Depreciation b) Provision for Discount on creditors
c) Interest on Capital d) Manager’s Commission

- Q.23 Damini commenced business on Jan.1, 2008 with a capital of Rs. 12,000. She Immediately bought furniture and fixture for Rs.2,000. On 30th June, 2008 she Borrowed Rs.5,000 from her husband @ 9% p.a.(interest not yet paid)and introduced A further capital of her own amounting to Rs.3,000. She withdrew Rs.500 in the end of every month for household expenses. On Dec.31,2008 her position was as follows: Cash Rs.3,800 , Debtors Rs.7,300 ,stock Rs.6,800 , B/R Rs. 1,600 , creditors Rs. 500, Owing for rent Rs.150, furniture & fixture to be depreciated by 10% . Ascertain the Profit or Loss made by Damini during 2008. 4

- Q.24 Explain the factors to be considered before sourcing an accounting software. 6

Q.25 The following information has been extracted from the trial balance of M/S Randhir Transport Corporation.

Debit balances	Amount(Rs.)	Credit balances(Rs.)	Amount(Rs.)
Opening stock	40,000	Capital	2,70,000
Rent	2,000	Creditors	50,000
Plant & Machinery	1,20,000	Bills Payable	50,000
Land & Buildings	2,55,000	Loan	1,10,000
Power	3,500	Discount	1,500
Purchases	75,000	Sales	1,50,000
Sales Return	2,500	Provision for bad debts	1,000
Telegram and Postage	400	General reserves	50,000
Wages	4,500		
Salary	2,500		
Insurance	3,200		
Discount	1,000		
Repair & Renewals	2,000		
Legal Charges	700		
Trade taxes	1,200		
Debtors	75,000		
Investments	65,000		
Bad Debts	2,000		
Trade Expenses	4,500		
Commission	1,250		
Travelling Expenses	1,230		
Drawings	20,020		
	6,82,500		6,82,500

Adjustments :

1. Closing stock for the year was Rs. 35,500
2. Depreciation charged on plant & machinery @ 5% and land and building @ 6%.
3. Interest on drawing @ 6% and interest on loan @5%.
4. Interest on investments @ 4%.
5. Further bad debts Rs.2,500 and make a provision for bad debts on debtors @ 5%.

You are required to make trading and profit and loss account and a balance sheet on March 31, 2008.

