

Subject: Accountancy
Class : XI

Time: 3hrs
M.M:80

Long Answer Type Questions

5 x 5 = 25 Marks

(5 marks)

Q1. Journalise the following transactions in the books of Suresh Kumar, 2017

Mar 5	opened bank account with J&K Bank	Rs 20,000
Mar 7	Purchased Furniture worth	Rs 2,00,000
Mar 10	Goods purchased from Sham and sons on credit	Rs 18,000
Mar 12	Cash Sales	Rs 10,000
Mar 14	Rent paid	Rs 6,000
Mar 17	Cash withdrawn from bank for personal use	Rs 20,000

OR

Enter the following transactions in the simple Cash Book of Mr. Sanjeev, 2017

Jan 1	Balance of cash in hand	Rs 25,000
Jan 3	Cash Sales	Rs 18,000
Jan 7	Purchased Machinery for cash	Rs 6,000
Jan 12	Rent Received	Rs 2,000
Jan 15	Goods Purchased for cash	Rs 4,000
Jan 21	Salaries paid to staff	Rs 6,000
Jan 25	Cash received from Jalpal	Rs 8,000
Jan 30	Paid for stationery	Rs 1,500

Q2. On 1st April 2011 a machine is bought for Rs 1,00,000. Its life is estimated at 4 years. Depreciation is to be written off at 40% p.a on the diminishing balance method. Show the machinery account for four years, assuming that the machine is sold as scrap on 31st March, 2015 for Rs 20,000. Books are closed on 31st March.

OR

Distinguish between Provision and Reserve.

Q3. From the following Receipt and Payments Account of citizen club, prepare an Income and expenditure account for the year ending 31 March 2015.

Receipts	Rs	Payments	Rs
Cash in hand (opening)	4,500	Salary	49,500
Cash at bank (opening)	12,600	Paper ink etc.	1,950
Subscriptions	1,52,400	Repairing expenses	7,020
Donations	72,000	Billiard table	58,050
Interest on investment	1,800	Purchase of investment	61,980
Entrance fees	18,000	Misc. expenses	6,600
Interest received from bank	6,300	Purchase of furniture	1,23,000
Sale of old news paper	900	Insurance premium	2,700
	3,81,900	Cash in hand (closing)	4,200
		Cash at bank (closing)	66,900
			3,81,900

- (i) Subscription in arrear for the year 2014-15 is Rs 13500 and subscriptions in advance for 2015-16 Rs 3900.
- (ii) Insurance premium prepaid Rs 300
- (iii) Miscellaneous expenses outstanding Rs 900
- (iv) 50% of donation is for building and Entrance fees are to be treated as revenue income.

OR

What do you mean by Not for Profit organizations? Distinguish between Receipts and Payments Account and Income and Expenditure Account.

Q4. From the following particulars, prepare Trading and Profit and Loss account of Rama General Stores for the year ended 31st March, 2014.

Opening stock	Rs 2,596	Postage & Telegraph	Rs 39
Purchases	Rs 34,864	Interest Received	Rs 4,200
Sales	Rs 39,932	Discount Received	Rs 5,305
Return inwards	Rs 3,921	Commission (cr.)	Rs 3,260
Return outwards	Rs 2,092	Discount allowed	Rs 1,239
Wages	Rs 4,425	Rent, Rates and taxes	Rs 1,274
Salaries	Rs 6,495	General expenses	Rs 2,214
Telephone charges	Rs 2,150		

Value of closing stock on 31st March 2014 was Rs 6,245.

OR

Pass the adjustment entry for the following adjustment and show their treatment in financial statements.

- (i) Outstanding Expenses
- (ii) Accrued Income
- (iii) Manager's Commission
- (iv) Bad debts

Q5. The following trial balance is prepared by an in experienced accountant. Redraft it.

	Dr. Balance	Cr. Balance
Bank over draft	28,000	—
Cash in hand	—	4000
Purchases Return	8000	—
Sundry expenses	24000	—
Sales return	—	16000
Salaries	16000	—
Purchases	56000	—
Sales	—	88000
Creditors	—	24000
Debtors	16000	—
Stock -1-1-2014	—	20000
Machinery & Plant	—	40000
Capital Account	44000	—
	1,92,000	1,92,000

OR

What is trial balance? what are its objectives?

Short Answer type questions.

3 Marks each.

3 x 9 = 27 M

Q6. When a business belongs to a business man, then why are they separated under the business entity concept?

Q7. Sh. Ramesh Chand started business with Rs 10,000 Capital. He drew at the rate of Rs 500 per month for the last six months. However, he had to introduce further Rs 2000 in the business. At the end of the year on 31-3-2015 he had the following assets and liabilities.

Furniture	Rs 200
Stock	Rs 14000
Sundry debtors	Rs 8000
Bank	Rs 1000
Cash	Rs 500
Sundry Creditors	Rs 3000
Outstanding expenses	Rs 600

He does not keep double entry books of accounts. Determine his profit or loss for the period and draw a statement of affairs as at the end of the period.

Q8. What are the accounting objectives?

Q9. "A computer system possesses some characteristics, which in comparison to human beings turn out to be its capabilities." In the light of this statement, discuss the characteristics/capabilities of a computer system.

Q10. What is Bank Reconciliation Statement?

Q11. We do not pay any cash every year for depreciation then why do we record in our financial statements?

Q12. If the capital of a business is Rs 5,00,000 and liabilities are Rs 1,00,000, Loss Rs 60,000, Calculate the total assets of the business.

Q13. Explain the following terms:

(i) Honorarium

(ii) Subscription

(iii) Legacy

Q14. Distinguish between Bill of Exchange and Promissory Note.

Very Short Answer Type Questions

Q15. Identify Personal, Real and Nominal account from the following

(i) Rent Paid

(ii) Machinery

(iii) Rent Accrued

(iv) Capital

Q16. Sanjay Bros not following the double entry system while preparing books of accounts. They are preparing accounting on the basis of single entry system. Give any two limitations which they may face in future.

Q17. What do you mean by International Financial Reporting Standards (IFRS)?

Q18. Give two importances of Reserves.

Q19. A three month's bill payable after sight was drawn on 15th April, 2015 and accepted by drawer on 20th April, 2015. The due date of the bill falls on 18th July, 2015. Do you agree?

Q20. Closing stock is valued at lower of cost or net realizable value. Comment.

Q21. How computerized accounting system better than manual accounting system?

Q22. What is the need of subsidiary books?

Q23. Give two uses of financial statements.

Objective Type Questions

Q. 24 Accounting is language of business (True/False)

Q25. Only selected transactions affect the accounting equation. (True/False)

Q. 26 Depreciation refers to _____ in the value of fixed assets.

Q.27 Profit and loss account is a _____ account.

Q.28 Stock in trade is

a) a Current Asset b) a fixed asset c) an intangible asset. d) a fictitious asset.

Q29. Receipts and Payments account is _____ account.

Q. 30 Non profit organization prepare

a) Trading account b) Profit and Loss account c) Income and Expenditure account d) Manufacturing account

Q31. Which of the following is not a basic function of accounting information system?

(a) Software Preparation

(b) Data Manipulation

(c) Document Preparation (d) Data gathering

Q32. Which one of the following is not a disadvantage of tailor made software?

(a) Higher development cost (c) Complex Interface

(b) Dependence on specialized persons

(d) Lesser flexibility

Q.33 The different softwares are used for preparing similar works. (True/False)