

Please check that this question paper contains **24** questions and **8** printed pages.

**CLASS-XI**  
**ACCOUNTANCY**

**Time Allowed: 3 Hrs.**

**Maximum Marks : 90**

**General Instructions :**

1. Question paper is divided into two parts. Part-A carrying 50 marks and Part-B carrying 40 marks.
2. Both the parts are compulsory.
3. All parts of the questions should be attempted at one place.
4. Make formats neatly. Avoid cutting & overwriting.
5. Give working notes, wherever necessary.

**Part-A**

1. Point out the primary two objective of accounting. (1)
2. "Revenue is generally realized at the time of sale." Which accounting principle is involved in this situation ? (1)
3. Give one transaction which will decrease the liabilities and increase the capital. (1)
4. What is the meaning of noting charges ? (1)
5. Why is provision for doubtful debts created ? (1)
6. What do you understand by ledger folio ? (1)
7. Place the following ledger balances in the appropriate column of the trial balance (3)

Rent A/c	20,000
Returns Outward A/c	5,000
Drawings A/c	7,000
Discount A/c (cr)	500
Leasehold Premises	9,00,000
Charity	900

8. Give the meaning of the following : (3)
  - (a) Net worth
  - (b) Closing stock
  - (c) Deferred revenue expenditure

9. "Accounting information should be comparable." Do you agree with this statement ?  
Give two reasons. (3)
10. "Mr. A had been doing the business of manufacturing toys since 2008. During the year 2013, a likely loss of 50,000 on account of bad and doubtful debts was foreseen in the business. A likely gain of ₹ 25,000 on account of getting discount on creditors was expected to be received. Mr. A ignored the loss due to bad debts and considered the gain due to discount on creditors while preparing final accounts. Which accounting concept will it violate ? Explain the concept. (3)
11. Explain in brief any four advantages of IFRS adoption. (4)
12. On 31.3.2014 the Bank passbook of DAV Pharmacy, showed a debit of ₹ 9,000. A comparison of entries in the pass book with those in the cash book revealed the following :
- (i) Cheques for ₹ 15,000 deposited with the bank on 29.3.14 were not credited by the bank before 1.4.14.
  - (ii) ₹ 7,000 withdrawn from the bank for office use were entered in cash bank as ₹ 9,000.
  - (iii) Debit side total of the bank column of the cash book was carried forward as ₹ 1,13,900 instead of ₹ 1,31,900.
  - (iv) Cheques were issued for ₹ 17,700 on 28.3.14 out of which cheques for ₹ 7,700 were presented to the bank for payment after 31.3.2014.
- Prepare Bank Reconciliation Statement. (4)
13. (a) Pass necessary journal entries in the books of Mr. Dewan for the following transactions : (3+3=6)
- (i) Bricks worth ₹ 1,00,000 purchased for the construction of building.
  - (ii) ₹ 1,800 was stolen from the safe vault of the firm.
  - (iii) Paid cash to Mrs. Dewan on behalf of Mr. Dewan ₹ 1,980.
  - (iv) Purchased houses for cash 96,500.
  - (v) Paid for carriage outward ₹ 1,500
  - (vi) Provide interest on drawing ₹ 20,000 @ 6½% for six months.

- (b) Prepare purchase book from the following particulars relating to M/s Anuj Stationers :

2014

- Dec. 4 Purchase from M/s Satish Bros as per invoice no. 1,870  
5 calculators @ ₹ 235 each  
25 Boxes of pencils @ ₹ 80 per box
- Dec. 12 Bought from M/s Ashoka Stores, Delhi for cash as per Invoice no. 281  
40 registers @ ₹ 200 per 10 registers
- Dec. 23 Purchased from M/s Gayatri Chawri Bazar Delhi as per invoice no. 784  
20 file covers @ ₹ 50 each
- Dec. 29 M/s Malik Book Dept sold as per invoice no. 979  
15 dozen reynold pens @ ₹ 125 per dozen less 2% trade discount
- Dec. 31 Bought of M/s AG Stationers as per invoice no. 798  
25 boxes of erasers @ ₹ 45 each box  
10 fancy papers @ ₹ 8 each  
Less 2½% trade discount
- Dec. 31 Purchased from S. Chand & Company Delhi  
5 Accountancy books of Class XI @ 300 each  
15 Business Studies books class XII @ 270 each

14. A partnership firm purchased a machine on Apr. 1, 2011 for ₹ 3,00,000. On June 30, 2013 a part of machine costing ₹ 20,000 was sold for ₹ 11,800, and a new machine costing ₹ 40,000 was purchased on 1st July 2013. Firm was charging depreciation @ 10% p.a. on straight line method. Show machine A/C, Provision for Depreciation A/c and Machine Disposal A/c for three accounting years ending 31st March, 2014. (6)
15. Ajay purchased goods from Vijay for ₹ 2,000 on 1st Jan. 2014. He accepted a bill of exchange for the amount at 2 months drawn on him by Vijay on the same day. On 4th Jan. 2014 Vijay got the bill discounted with this bankers @ 18% p.a. At maturity the bill was dishonoured noting charges amounting to ₹ 15. However Vijay agreed to received a sum of ₹ 575 from Ajay in cash & two promissory notes one at one month for ₹ 500 and the other at 3 months for ₹ 1,000 in full settlement. The first promissory note was duly honoured but the second bill was dishonoured due to Ajay's insolvency. Vijay could recover 30% of the amount due from him on 7th June 2014. Show journal entries in the books of Vijay. (6)

16. Rectify the following errors and also show suspense A/c. (6)
- (i) Goods sold to Mohan for ₹ 3,700 was wrongly passed through purchases book but correctly posted to the debit side of Mohan's Account.
  - (ii) A dishonoured bill receivable for ₹ 2,000 returned by the bank had been credited to bank A/c and debited to B/R A/c.
  - (iii) ₹ 600 owing by a customer had been omitted from the schedule of sundry debtors.
  - (iv) Sundry items of a plant sold for ₹ 2,600 had been entered in the sales book.
  - (v) A sale of ₹ 480 to Ramesh was entered in the sale Books as ₹ 840.

**Part-B**

17. Ascertain the value of closing stock from the following : (3)

Opening stock ₹ 1,20,000

Purchases ₹ 9,30,000

Gross sales ₹ 16,00,000

Returns inward ₹ 40,000

Rate of gross profit 40% on sales

18. (i) Why are adjustments for depreciation and loss on sale of fixed asset shown in Income & Expenditure A/c ? (1)
- (ii) Child right activist Kailash Satyarthi of India was awarded the Nobel Peace Prize. Identify any two values of his organization Bachpan Bachao Andolan (BBA) ? (2)

19. Ramesh keeps his books by single entry method. His position on 31st March 2013 was as follows :

Cash in hand ₹ 200, Cash at bank ₹ 3,000, Stock ₹ 20,000, Sundry debtors ₹ 8,500, Furniture ₹ 1,800, Plant ₹ 15,000, Sundry creditors ₹ 22,000.

During the year 2013-14 he introduced ₹ 5,000 as further capital in the business & withdrew ₹ 750 per month.

On 31st March 2014 his position was as follows :

Cash in hand ₹ 300, Cash at bank ₹ 2,000, Sundry debtors ₹ 14,000, Stock ₹ 19,000, Plant ₹ 27,000, Furniture ₹ 1,500 & Sundry creditors ₹ 29,000.

Prepare a statement of showing profit or loss made by him for the year ended 31st March, 2014. (4)

20. Distinguish between manual accounting and computerized accounting (any four).(4)

21. Show how will you deal with the following information while preparing financial statements of W.S. cricket club for the ending 31st March 2014 : (4)

Donation received for construction of pavilion	₹ 15,90,000
Expenditure on construction of pavilion (not yet completed)	₹ 10,90,000
Subscription for pavilion	₹ 50,000
Pavilion fund as on 1.4.2013	₹ 6,00,000

22. (a) Income tax department has computerized filing of Income tax return. What values (any two) have been added by the department to the society ? (2)  
 (b) Critically analyse "Ready to Use" accounting software. (4)

23. The following is the trial balance of Mr. S. Kapur on 31st March 2014 : (8)

Name of Accounts	Debit (₹)	Credit (₹)
Cash in Hand	1,080	
Cash in bank	5,260	
Purchases	81,350	
Sales account		1,97,560
Returns inward	1,360	
Return outwards		1,000
Wages	20,960	
Fuel and power	9,460	
Carriage on sales	6,400	
Carriage on purchases	4,080	
Stock (1-4-2013)	11,520	
Buildings	60,000	
Freehold land	20,000	
Machinery	40,000	
Salaries	30,000	
Patents	15,000	
General expenses	6,000	
Insurance	1,200	
Capital		1,42,000
Drawings	10,490	
Sundry debtors	29,000	
Sundry creditors		12,600
	3,53,160	3,53,160

Taking into account the following adjustments. Prepare Financial statements :

- (1) Closing stock is 13,600
- (2) Machinery is to be depreciated @ 10% and patents @ 20%
- (3) Unpaid salaries for the month of March, 2014 is 3,000
- (4) Insurance includes a premium of 170 for the next year
- (5) Wages include a sum of 4,000, spent on erection of cycle shed for employees
- (6) A provision for doubtful debts is to be created to the extent of 5% on debtors.

**OR**

The trial balance of Mr. X as on 31st March, 2014 was as follows :

Name of Accounts	Debit (₹)	Credit (₹)
Purchases	1,62,505	
Sales		2,52,400
Reserve for Doubtful debts		5,200
Sundry Debtors	50,200	
Sundry Creditors		30,526
Bills Payable		3,950
Opening Stock	26,725	
Wages	23,137	
Salaries	5,575	
Furniture	7,250	
Postage	4,226	
Power and Fuel	1,350	
Trade expenses	5,831	
Bad Debts	525	
Loan to Ram @10% (Dec. 1, 2013)	3,000	
Cash in hand and at Bank	10,000	
Trade Expenses accrued, not paid		700
Drawings A/c	4,452	
Capital A/c		10,000
Outstanding wages		2,000
	3,04,776	3,04,776

Prepare trading and profit and loss account for the year ending March 31, 2014 and the Balance Sheet as on that date after taking into consideration the following information :

- (i) Depreciation on furniture is to be charged @ 10%
- (ii) Sundry debtors include on item of ₹ 500 due from a customer who has become insolvent.
- (iii) Reserve for bad debts is to be maintained @ ₹ 5% on sundry debtors
- (iv) Stock on 31st Dec., 2012 was ₹ 12,550.

24. From the following receipts and payments account of a club and from the information supplied, prepare an Income and Expenditure Account for the year ended 31st March, 2014 and a Balance Sheet as on that date : (8)

Dr.	<b>Receipts and Payments Account</b>		Dr.
To Balance b/d	2,300	By Salaries	4,500
To Subscriptions	6,000	By Office Expenses	1,500
To rent of the hall	2,000	By Sports Equipment	1,000
To Sale of grass	200	By Machine	2,000
To Sale of old furniture (Book value 200)	100	By 6% Investments	1,000
		By Balance c/d	600
	10,600		10,600

Other Information :

Subscriptions received included ₹ 1,000 for 2012-13 and ₹ 500 for 2014-15. Outstanding subscriptions for 2013-14 amounted to ₹ 800. Sports equipment on hand on 31st March, 2013 was of ₹ 3,000. The value placed on this equipment on hand on 31st March 2014 was ₹ 3,100. The machine was purchased on 1st Oct. 2013 and is to be depreciated at 20% per annum. Salaries ₹ 200 for 2013-14 are yet to be paid. Interest on investments is accrued of 6 months. On 1st Apr., 2013 club owned land and building values at ₹ 1,500 and furniture at ₹ 600.

**OR**

The following is the receipts and payments Account of the Harmony Club in respect of the year ended 31st March, 2014 :

To Balance b/d	10,250	By Salaries	20,800
To Subscriptions		By stationery	4,000
2012-13            450		By rates	6,000
2013-14 <u>21,100</u>		By Telephone	1,000
2013-14 <u>750</u>	22,300	By Investments	12,500
To profit on sports meet	15,500	By Sundry expenses	9,250
To income from investments	10,000	By Balance c/d	4,500
	<u>58,050</u>		<u>58,050</u>

The following additional information is provided to you :

- (i) There are 450 members each paying an annual subscription of ₹ 50; ₹ 500 were in arrears for 2012-2013 as on 1<sup>st</sup> April, 2013.
- (ii) On 31<sup>st</sup> March, 2014 the rates were prepaid to 30<sup>th</sup> June, 2014; the charge paid every year being ₹ 6,000.
- (iii) There was an outstanding telephone bill of ₹ 350 on 31<sup>st</sup> March, 2014
- (iv) Outstanding sundry expenses as on 31<sup>st</sup> March 2013 totalled ₹ 700
- (v) Stock of stationery on 31<sup>st</sup> March, 2013 was ₹ 500; on 31<sup>st</sup> March, 2014 it was ₹ 900
- (vi) On 31<sup>st</sup> March 2013, building stood in the books at ₹ 1,00,000 and it was subject to depreciation at 5% per annum
- (vii) Investments on 31<sup>st</sup> March, 2013 stood at ₹ 2,00,000
- (viii) On 31<sup>st</sup> March 2014 income accrued on investments purchased during the year amounted ₹ 375. Prepare an Income and Expenditure Account for the year ended 31<sup>st</sup> March, 2014 and the Balance Sheet as at that date.