



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. What is the main function of accounting? (1)
 2. Define Source Documents. (1)
 3. What is an opening entry? (1)
 4. A firm earns a revenue of Rs.50,000 and the expenses to earn this revenue are Rs.30,000. Calculate its income. (1)
 5. Write any three Limitations of Accounting. (3)
 6. Give Journal entries for the following:
 - (i) Bought goods at the list price of Rs.50,000 from Vinod less 20% trade discount and 2% cash discount and paid 40% by cheque.
 - (ii) Sold goods to Mohan at list price Rs.1,00,000 less 20% trade discount and 2% cash discount and paid 50% by cheque.
 - (iii) Paid income tax through cheque Rs.2,000. (3)
 7. Which financial statements are prepared under IFRS? (3)
 8. Explain Full Disclosure and Business Entity principle of accounting. (3)
 9. Explain the concept of provisions. (4)
 10. Prepare Trial Balance from the following information:
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Capital Rs.50,000; Bank Loan Rs.20,000; Trade payables Rs.18,000; Rent outstanding Rs.4,000.
Capital reserve Rs.5,000; Commission received Rs.3,000; Bad debts Rs.5,000. Plant & Machinery
Rs.60,000; Goodwill Rs.16,000; Carriage inwards Rs.2,500; Carriage outwards Rs.1,500; Trade
Receivables Rs. 10,000; Profit and Loss (Dr.) Rs.5,000. (4)

11. Vinod owed Rs.10,000 to Mohan. Mohan wrote a bill of exchange for Rs.10,000 on
Vinod for three months, which was duly accepted by Vinod. Mohan discounted the bill with
Bank at a discount of Rs.100. On maturity, Bill was dishonoured. Bank paid Rs.20 as noting
charges. Pass journal entries in the books of Mohan. (4)

12. Prepare Cash Book with Bank Column of Vinod from the following transactions:

Jan. 1 Cash in hand Rs.2,300 and Bank overdraft Rs.12,000

Jan. 7 Cheque received from Ram Rs.4,000.

Jan. 9 Deposited the above cheque into Bank.

Jan. 12 Goods sold for Rs.15,000 and deposited into the bank on the same day.

Jan. 18 Money withdrawn from bank for office use Rs.2,000.

Jan. 23 Money withdrawn from bank for personal use Rs.1,000.

Jan. 31 Bank charges Rs.200. (4)

13. Vinod has the following transactions. Show accounting equation for the same:

(i) Commenced business with cash Rs.80,000.

(ii) Paid rent in advance Rs.1,000.

(iii) Purchased goods for cash Rs.30,000 and credit Rs.20,000.

(iv) Sold goods costing Rs.20,000 for Rs.30,000.

(v) Paid Salary Rs.800 and Salary outstanding Rs.200. (4)

14. Prepare a Bank Reconciliation Statement on 31 March 2004 for the following when debit
balance of pass book is Rs.2,500:

(1) Cheques issued, but not presented for payment Rs.2,000.

(2) Cheques issued, but omitted to be record in Cash Book Rs.1,000.

(3) Cheque deposited but not collected Rs.500.

(4) A discounted bill of exchange dishonoured Rs.1,000.

(5) Interest on overdraft Rs.100. (6)

15. "Vinod" Engineering Works purchased a machine on 1st April 2001 for Rs.1,80,000 and spent
Rs.20,000 on its installation.

On 1st January 2002, it purchased another machine for Rs.2,40,000. On 1st July 2003, the machine
purchased on 1st April, 2001 was sold for Rs.1,45,000. On 1st October, 2003 another machine was
purchased for Rs.4,00,000.

Prepare Machinery Account from 2001 to 2003 after charging depreciation @ 10% p.a. by
diminishing balance method. Accounts are closed on 31st December every year. (8)



Part – B (Financial Accounting – II)

16. What do you mean by Marshalling of assets? (1)
17. What is meant by customized software? (1)
18. Vinod who keeps his books on single entry, tells you that his capital on 31 Dec.1996 was Rs.18,700 and his capital on 1-1-1996 was Rs.19,200. He further informs you that during the year he withdrew for his household purposes Rs.8,420. He once sold his investments of Rs.2,000 at 2% premium and brought that money into the business. You are required to prepare a statement of profit & loss. (3)

19. Show the following information in the Balance Sheet of the Vinod Sports Club as on 31st March, 2007:

Particulars	Debit	Credit
Tournament Fund	---	1,50,000
Tournament Fund Investment	1,50,000	----
Income from Tournament fund investment	---	18,000
Tournament Expenses	12,000	----

Additional Information:

Interest accrued on Tournament fund investment Rs.6,000. (3)

20. Mr. Vinod keeps his books by single entry system method. His position on 31st December, 1996 was as follows:
Cash in hand Rs.500, Cash at bank Rs.6,000, Stock Rs.5,000, Debtors Rs.3,300, Furniture Rs.1,200, Creditors Rs.4,000. During the year he introduced Rs.4,000 as further capital in the business, and withdrew Rs.9,000 out of which he purchased a Machine for Rs.6,000 for the business.

On 31st December 1997 his position was as follows:

Cash in hand Rs.500, Cash at bank Rs.5,000, Stock Rs.6,000, Debtors Rs.4,600, Furniture Rs.1,500 and Creditors Rs.6,000.

Prepare necessary statements showing the profit or loss made by Mr.Vinod during the year and a Balance Sheet as at 31st December, 1997 after making the following adjustments:

Depreciate furniture and machine at 10% (on closing balance) write off bad debts Rs.200 and provide 5% for doubtful debts. (6)

21. V.K Manufacturing Ltd. has provided the following information:
Office expenses Rs.60,000, Expenses on sales Rs.20,000, Sales Rs.1,86,000, closing stock Rs.12,600, Import duty Rs.900, Factory expenses Rs.1,500, Advertisement expenses Rs.10,000, Trade expenses Rs.30,000, Loss by fire (furniture) Rs.20,000, Adjusted purchases Rs.1,65,000. Prepare the Trading Account for the year ended 31st March, 2012: (6)
22. Explain the main functions of a computer system. (6)
23. From the following particulars, prepare Income and Expenditure Account: (6)



Particulars	Amount
Fees collected, including Rs.80,000 on account of previous year	5,20,000
Fees for the year outstanding	30,000
Salary paid, including Rs.5,000 on account of previous year	68,000
Salary outstanding at the end of the year	3,000
Entertainment expenses	8,000
Tournament expenses	25,000
Meeting expenses	18,000
Travelling expenses	7,000
Purchase of Books & Periodicals, including Rs.31,000 for purchase of books	40,000
Rent	15,000
Postage, Telegrams and Telephones	6,000
Printing and Stationery	18,000
Donations Received	25,000

24. From the following Trial Balance of M/s.Vinod and Sons as on 31st December. 2009, prepare Trading and Profit & Loss Account and Balance Sheet.

Particulars	Amount	Particulars	Amount
Opening Stock	11,300	Capital	20,000
Purchases	40,000	Loan	5,000
Sales Return	300	Creditors	8,000
Gas and Water	480	Sales	55,000
Cash in hand	1,000	Purchase return	580
Cash at bank	5,700	Commission	500
Salaries and wages	800	Bill Payable	1,500
Rent, Rate & Taxes	700		
Wages	1,250		
Insurance	1,000		
Carriage	750		
Discount	300		
Debtors	10,000		
Machinery	7,000		
Building	10,000		

Adjustments:

- (i) Stock in hand on 31-12-2009 Rs.12,300.
- (ii) Outstanding wages Rs.200 and Salaries Rs.100.
- (iii) Accrued Commission Rs.300.
- (iv) Create 5% provision for bad and doubtful debts.
- (v) Charge 10% depreciation on Machinery.

(8)