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**ACCOUNTANCY**  
**Class - XI**

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Time allowed: 3 hours

Maximum Marks: 90

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**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.

**Part – A (Financial Accounting – I)**

1. What do you mean by Book-Keeping? (1)
2. Give two examples of Fictitious Assets. (1)
3. What do you mean by 'Pay-in-Slip'? (1)
4. What do you mean by Accrual Basis of Accounting? (1)
5. Differentiate between Book-Keeping and Accounting. (3)
6. Vinod purchased goods from Gaurav for 2,000 on 1st March 2010 and accepted a Bill of Exchange for 2 months drawn on him by Gaurav on the same date for the amount. Gaurav got the bill discounted at his bank at 12% p.a. on due date Vinod met the bill.  
Pass entries in the books of Vinod only (3)
7. Prepare Accounting Equation on the basis of the following:
  - (i) Started business with cash Rs.70,000.
  - (ii) Credit Purchase of goods Rs.18,000.
  - (iii) Payment made to creditors in full settlement Rs.17,500.
  - (iv) Purchase of Machinery for cash Rs.20,000. (4)
8. Explain Capital Reserve and Revenue Reserve with examples. (4)



9. Give Journal entries for the following:

- (i) Goods destroyed by fire Rs.800
- (ii) Paid Rs.4,000 in cash as wages on installation of a Machinery.
- (iii) Issued a cheque in favour of M/s. Vinod Kumar & Sons on account of purchase of goods worth Rs.10,000.
- (iv) Goods sold costing Rs.6,000 to M/s. Mohan & Sons at an invoice price 10% above cost less 5% Trade Discount. (4)

10. Prepare Trial Balance from the following information:

Capital Rs.4,00,000; Bills Payable Rs.2,00,000; Stock Rs.1,40,000; Bank Loan Rs.3,00,000;  
Cash in hand Rs.3,60,000; Sales Rs.6,00,000; Customers Rs.4,00,000; Purchases Rs.2,00,000.  
Bill Receivables Rs.2,00,000. (4)

11. Explain the following Accounting Principles with examples :

- (a) Business Entity Principle (b) Materiality Principle (c) Matching Concept (6)

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

- Dec. 1 Cash in hand Rs.2,20,000 and Cash at Bank Rs.60,000.  
Dec. 2 Deposited in Bank Rs.80,000  
Dec. 4 Goods purchased and issued a cheque for the same Rs.34,000.  
Dec. 7 Cash purchases Rs.16,000.  
Dec. 8 Paid commission by cheque Rs.12,000.  
Dec. 9 Withdrew from bank for private use Rs.2,500.  
Dec. 12 Received from Yuvraj in full settlement of his account Rs.6,000, half of the amount was deposited into bank on the same day.  
Dec. 16 Interest collected by Bank Rs.14,000.  
Dec. 20 Cash sales Rs.42,000.  
Dec. 22 Salaries paid Rs.40,000.  
Dec. 23 Goods sold to Mohan & Co. Rs.36,000.  
Dec. 25 Received cheque from Mohan & Co. after discount of Rs.300.  
Dec. 30 Deposited the cheque received from Mohan & Co. into bank. (6)

13. Draw up a reconciliation statement if favourable balance of pass book is Rs. 15,000:

1. On 31st March 2002 Ramesh had issued cheques amounting to Rs. 8,000 of which cheques amounting to Rs. 3,200 have been presented for payment.
2. A cheque of Rs.2,200 paid by him into bank of 26th March is not credited in the pass book.
3. He had also received a cheque for Rs. 500 which although entered by him in the bank column of cash book, was omitted to be paid into the bank.
4. On 30th March a cheque for Rs.1,570 received by him was paid into bank but the same was omitted to be entered in cash book.
5. There was a credit of Rs. 150 for interest in the pass book and a debit of Rs. 25 for bank charges. (6)



14. Vinod Ltd. whose accounting year is the calendar year, purchased on 1st April 1980, machinery costing Rs. 30,000 and paid cash immediately. It purchased further machinery in cash on 1st October, 1980, costing Rs. 20,000 and on 1st July, 1981 costing Rs. 10,000. On 1st January, 1982, one third of the machinery which was installed on 1st April, 1980 became obsolete and was sold for cash Rs. 3,000. Show how the machinery account would appear in the books of the company, it being given that machinery was depreciated by Fixed Instalment method at 10% p.a. (6)

**Part – B (Financial Accounting – II)**

15. What do you mean by ‘Utility Software’? (1)
16. Where you show ‘Life Membership Fee’ in the Accounts of a Not for Profit organization? (1)
17. Distinguish between Profit and Loss Account and Balance Sheet on any three basis. (3)
18. Cash sales of a business in a year were Rs.60,000 and Credit sales Rs.90,000. Cost of goods sold (including direct expenses) is Rs.1,35,000. Find out the Gross Profit. (3)
19. How are the following items shown in the accounts of Non-profit organisation?  
Tournament Fund Rs.70,000  
Tournament Expenses Rs.20,000  
Receipts from Tournament Rs.35,000 (3)
20. Capital of Vinod in the beginning of a the year was Rs.1,00,000. During the year his business earned a profit of Rs.45,000, he withdrew Rs.5,000 for his personal use. He sold ornaments of his wife for Rs.30,000 and invested that amount into the business.  
Find out his Capital at the end of the year. (3)
21. Following is the extract from a Trial Balance:
- | Particulars    | Amount (Dr.) | Amount (Cr.) |
|----------------|--------------|--------------|
| Sundry Debtors | 4,00,000     |              |
| Bad Debts      | 8,000        |              |
- Additional Information:  
Write off Rs.4,000 as Bad debts.  
Show relevant extracts from the Profit and Loss Account and Balance Sheet. (4)
22. Explain three advantages and three limitations of a computer system. (6)
23. Following is the Receipts & Payments Account of a Club for the year ending March 31, 2006:



RECEIPTS AND PAYMENTS ACCOUNT for the year ending 31st March, 2006

Receipts	Amount	Payments	Amount
Balance b/d	19,550	Salaries	3,000
Subscriptions :		Newspaper	2,050
2004-05 1200		Electricity Bill	1,000
2005-06 26500		Fixed deposits	20,000
2006-07 500	28,200	(on 1.7.2005 @9%)	
Sale of old newspapers	1,250	Books	10,600
Government Grants	10,000	Rent	6,800
Sale of old furniture	5,700	Furniture	10,500
(Book Value Rs.7,000)		Balance c/d	11,200
Interest on fixed deposits	450		
	<b>65,150</b>		<b>65,150</b>

**Additional Information:**

- (i) Subscription outstanding as on 31st March, 2005 were Rs. 2,000 and on 31st March, 2006 Rs. 2,500.  
(ii) On 31st March, 2006 salary outstanding was Rs. 600 and rent outstanding was Rs.1200  
(iii) The club owned furniture Rs.15,000 and books Rs.7,000 on 1st April, 2005.  
Prepare income and expenditure account of the club for year ending 31st March, 2006 and B/S. (8)

24. From the following Trial Balance of M/s.Arjun and Sons as on 31st Dec. 2011, prepare Trading and Profit & Loss Account and Balance Sheet.

Particulars	Amount (Dr.)	Amount (Cr.)
Drawing and Capital	18,000	80,000
Purchases and Sales	85,000	1,58,000
Stock (1.1.2011)	40,000	
Returns	3,000	4,000
Carriage Inward	1,200	
Wages	6,000	
Power (Factory)	6,000	
Machinery	50,000	
Furniture	14,000	
Salaries	22,000	
Rent	15,000	
Establishment Expenses	3,600	
8% Bank Loan		25,000
Debtors	20,600	
Creditors		18,900
Cash in hand	1,500	
	<b>2,85,900</b>	<b>2,85,900</b>

**Adjustments:**

- Closing Stock 64,000.
- Wages outstanding 2,400.
- Bad debts 600 and provision for bad and doubtful debts to be 5% on debtors.
- Salary is paid for 11 months only.
- Loan from the bank was taken on 1st July, 2011.
- Provide depreciation on machinery @ 10% p.a.
- Provide Manager's commission at 10% on net profit after charging such commission. (8)