

Roll No. _____

Code : 112016-055-A

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 (50 marks) and Part-B (40 marks).
2. Both the parts are compulsory.
3. All parts of the questions should be attempted at one place. Write down the question number before attempting.
4. 25% marks would be deducted for not using the correct format, narration and for working notes. Nothing should be written on question paper.

Part-A

1. State any one point of distinction between current liabilities and non-current liabilities. (1)
2. Why is “accrual basis” of accounting more reliable ? (1)
3. If goods costing ₹ 950 are sold on credit for ₹ 1,000, how will it affect capital and assets ? (1)
4. Proprietor used goods costing (a) ₹ 15,000 for his personal use (b) and ₹ 10,000 for charity and (c) ₹ 1,000 for distribution as free samples for publicity. With what amount posting will made in Purchases A/c ? (1)
5. Define Secret Reserves. Give an example. (1)
6. Write one point of distinction between Drawer and Drawee. (1)
7. Define the following terms : (3)
(i) Expenditure (ii) Expenses (iii) Inventory
8. Why would investors, lenders and management be interested in accounting ? (3)
9. TC & Sons gets a contract of ₹ 100 crore to build a dam to be completed in 4 years. The management wants to ascertain profit or loss on this contract only when it is completed. Is the management justified ? Identify and explain the principle involved. (3)

10. Prepare an extract of Trial Balance of Suman Bros. as on 31st March 2015 :

	₹
Opening stock	1,200
Patents	5,000
Copyrights	3,000
Carriage outward	6,000
Returns inward	1,500
Interest received	2,000

11. What do you mean by IFRS ? Name any three challenges faced during adoption and implementation of IFRS in India. (4)

12. On 31st March 2015, the bank pass book of M/s Arya showed debit balance 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 29.3.15 were not credited by the bank before 1.4.2015.
- (ii) ₹ 7,000 withdrawn from the bank for office use were entered in the cash book as ₹ 9,000.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) Bank charges of ₹ 300 charged by bank but not entered in cash book.
- (v) Cheques were issued for ₹ 17,700 on 29.3.2015 out of which cheques for ₹ 7,700 were presented to the bank for payment after 31.3.2015.

Prepare a Bank Reconciliation Statement as on 31.3.2015. (4)

13. (a) Prepare three column cash book from the following transactions : (3+3=6)
2015

	₹
Oct 1 Cash in hand	1,51,800
Oct 1 Opened current account with Bank	25,000
Oct 15 Interest allowed by Bank	500
Oct 22 Cash sales ₹ 9,000. Half of this is deposited with Bank.	
Oct 29 Receives cheque for commission ₹ 1,000 from Raghubir & Co. which is deposited with Bank on 31st October, 2015.	
Oct 30 Discounted a 3 months of bill Receivable of ₹ 2,000 at a discount of 3% p.a.	

(b) Journalise the following transactions in the books of S. Verma & Co.

- (i) Received order for ₹ 20,000 from Kumar for supply of goods and received ₹ 12,000 as an advance together with order.
- (ii) Goods worth ₹ 20,000 supplied to Kumar against the order and advance previously received from him.

- (iii) Bought goods from Sharma for ₹ 20,000 at a trade discount of 10% and cash discount of 2%. Paid 60% amount immediately.
- (iv) Z became insolvent and nothing could be received from his official receiver. Z owed us ₹ 8,000.

14. You are given the following balances as on 1st April, 2014 : (6)

Machinery A/c	₹ 5,00,000
Provision for Depreciation A/c	₹ 1,16,000

Depreciation is charged on machinery at 20% per annum by reducing instalment method. A piece of machinery purchased on April 1, 2012 for ₹ 1,00,000 was sold on October 1, 2014 for ₹ 60,000.

Prepare Machinery A/c, Provision for Depreciation A/c and Machinery Disposal A/c for the year ended 31st March, 2015.

15. On 1st July 2015, Arun drew on Biren, who owed him ₹ 25,000, two bills, one for ₹ 15,000 at 3 months and another for ₹ 10,000 at two months. Biren accepted both the bills.

Arun endorsed on 3rd July the first bill to his creditor Chetan in full settlement of his account of ₹ 15,500 and discounted the second bill on 4th July with his bankers @ 12% p.a. The first bill was duly met but the second bill was dishonoured and ₹ 150 were paid as noting charges. On 5th September, 2015 Arun drew and Biren accepted a third bill at three months for ₹ 10,450. This bill was met on maturity date.

Give necessary entries in the books of drawer as well as endorsee. (6)

16. You are presented with a trial balance showing excess debit of ₹ 1,770 which has been carried to Suspense A/c. The accountant located the following errors : (6)

- (a) A cheque of ₹ 6,400 received from a customer after allowing him discount of ₹ 600 was dishonoured but no entries were passed in the Books of account.
- (b) Bad debts recovered ₹ 1,000 were wrongly posted to the debit side of Bad Debts A/c.
- (c) ₹ 1,000 payable to supplier was included in the list of debtors.
- (d) ₹ 1,200 paid as cartage on goods purchased was debited to Purchases A/c.
- (e) Salaries paid to manager ₹ 28,000 was posted twice, first to Salaries A/c and then to Manager's A/c.

Rectify the above errors by passing journal entries and prepare Suspense A/c.

Part-B

17. S. Kumar & Sons close their books on 31st March. Stock taking takes about two weeks. On 31.3.2015 the value of closing stock thus arrived at was ₹ 25,000. During the two weeks in which stock taking took place purchases and sales made were ₹ 1,000 and ₹ 4,000 respectively. The firm earns gross profit of 30% on sales. Ascertain the value of closing stock on 31.3.2015. (3)

18. Calculate the amount of medicines consumed during the year :	(3)
	₹
Stock of medicines on 1.4.2014	1,000
Creditors for medicines on 1.4.2014	2,500
Advances for medicines on 1.4.2014	500
Amount paid during the year	8,000
Stock of medicines on 31.3.2015	1,100

19. Pulkit keeps his records on the Single Entry System. The following information is available from his books : (4)

Particulars	March 31, 2014 (₹)	March 31, 2015 (₹)
Cash in hand	5,000	18,000
Cash at bank	50,000	70,000
Stock	20,000	35,000
Debtors	10,000	40,000
Creditors	5,000	8,000
Bills payables	2,000	6,000
Furniture	4,000	24,000
Office equipments	20,000	35,000
Bills receivables	10,000	12,000
Motor van	—	60,000

During the year, Pulkit introduced ₹ 20,000 as fresh capital and withdrew ₹ 5,000 per month for his personal use. Write off depreciation at the rate of 10%, 15% and 20% on furnitures, office equipment and motor van respectively. Rent is outstanding ₹ 3,600.

Prepare Statement of Profit and Loss for the year ended 31st March, 2015.

20. (a) XYZ Ltd. pays ₹ 10,000 per month to a charity school for teaching spastic students of the society. Which two values are reflected in this act of XYZ Ltd. ? How would this benefit the society ?
- (b) How will you deal with the following items while preparing the final accounts for the year ending on March 31, 2015 ?
- Prizes awarded, ₹ 10,000
- Prize fund as at 31.3.2014, ₹ 50,000
- Donation for prizes received on 1.4.2014, ₹ 15,000, which were invested in 9% bonds on the same day.
- 9% prize fund investments, as at 31.3.2014 ₹ 50,000.
- Interest received on prize fund investments during the year ended 31.3.2015, ₹ 3,000. (2+2)

21. "Computerised accounting systems are best form of accounting systems."
Comment. (4)
22. (a) Make a comparative study of ready-to-use; customised and tailored packages on the basis of :
(i) Nature of business, (ii) Secrecy, (iii) Training requirements; (iv) Number of users. (4)
(b) Income-tax department has decided about e-sign at the time of submitting income tax return. Identify any two values. Explain these values with reference to above situation. (2)
23. From the following trial balance of Mr. Suri, you are required to prepare Trading and Profit & Loss A/c for the year ended on 31st March 2015 and Balance-Sheet as at that date : (8)

Name of Accounts	Debit (₹)	Credit (₹)
Capital		52,000
Drawings	10,000	
Debtors and Creditors	24,000	16,000
6% Loan		10,000
Interest on Loan	300	
Cash	3,000	
Provision for Bad Debts		1,000
Wages	6,000	
Stock (1.4.2014)	16,700	
Computers	10,000	
Bank	7,500	
Furniture	20,000	
Carriage Outward	4,500	
Carriage Inward	5,000	
Salaries	12,000	
Rent	8,000	
Bad Debts	600	
Purchases and Sales	60,000	1,16,000
Returns	2,000	1,000
Advertising	4,500	
Discount		600
Insurance Premium	2,000	
Bills Receivable and Bills Payable	10,000	8,000
Commission		1,500
	2,06,100	2,06,100

Adjustments :

1. Depreciate furniture to 19,500 and computer by 1,500.
2. Salaries outstanding by ₹ 1,200.
3. Insurance premium is paid for the year ending 30th June, 2015.
4. Wages have been paid upto 30th June, 2015.
5. Provision for Bad Debts is be maintained at 5% on debtors.
6. Stock on 31st March 2015 was valued at ₹ 19,400.
7. Manager is entitled a commission @ 10% on net profit before charging such commission.

OR

Prepare financial statements from the following Trial Balance of Patil as on March 31, 2015 :

Particulars	Amt. (₹)	Particulars	Amt. (₹)
Travelling Expenses	19,000	Capital	1,00,000
Returns Inward	2,500	Sundry Creditors	72,400
Land & Buildings	50,000	Returns Outward	4,000
Purchases	3,50,000	Commission	15,000
Cash in hand	38,000	Provision for Doubtful Debts	6,000
Discount	10,300	12% Loan	40,000
Sundry Debtors	70,500	Sales	4,70,000
Furniture	8,000		
Motor Car	20,000		
Investments	10,000		
Drawings	12,000		
Bills Receivables	5,000		
Opening Stock	63,000		
Advertisement	10,000		
Carriage Inward	3,000		
Establishment Expenses	1,600		
Interest on Loan	3,000		
Salaries (including advance ₹ 2,000)	25,000		
Bad Debts	2,500		
Insurance Premium	4,000		
	7,07,400		7,07,400

Adjustments :

- (a) Closing stock ₹ 24,000
- (b) Sundry debtors include ₹ 4,000 due from Ramesh and sundry creditors include ₹ 3,000 due to him.
- (c) Bills receivables include a dishonoured bill for ₹ 1,000.
- (d) Provision for doubtful debts is to be maintained at 10% of debtors and provision for discount on debtors is to be kept at 5%.
- (e) Stock worth ₹ 16,000 was destroyed by fire on 25th February 2015, and the insurance company admitted a claim of ₹ 12,000.
- (f) 75% of the Advertisement is to be carried forward.
- (h) Reduce building to ₹ 45,000, furniture by ₹ 1,600 and motor car @ 15%.

24. From the following Receipts and Payments A/c of Sports Club, prepare Income & Expenditure A/c for the year ended March 31, 2015 & Balance-Sheet as on that date. (8)

**Receipts and Payments Account
for the year ended March 31, 2015**

To Balance B/D	16,000	By Salaries	12,000
To Entrance Fees	6,000	By Rent and Taxes	9,000
To Subscription	40,000	By Electricity Expenses	3,200
To Donation	70,000	By Locker Rent	1,800
To Rent of Ground	12,000	By Books	15,000
To Income from Entertainment	15,000	By Investments	25,000
		By Office Expenses	8,000
		By Balance C/D	85,000
	1,59,000		1,59,000

Additional Information :

On April 1, 2014 the club had books worth 18,000, buildings worth ₹ 2,00,000 and furniture ₹ 14,000. Subscriptions in arrears on March 31, 2014 were ₹ 1,000 and on March 31, 2015 were ₹ 2,500. Rent due was ₹ 2,100 both in the beginning as well as at the end of the year. Unpaid salaries for the month of March 2015 amounted to ₹ 3,600 and electricity bill was due on same date for ₹ 500. Write off depreciation on building ₹ 2,800, furniture ₹ 1,200 and books ₹ 400.

OR

Prepare Income & Expenditure A/c and Balance-Sheet from the given information relating to year ended March 31, 2015.

**Receipts & Payments A/c of Rohini Club
for the year ended March 31, 2015**

Receipts	Amt. (₹)	Payments	Amt. (₹)
To Balance B/D	40,000	By Rent (for 11 months)	12,100
To sale of old sports material	200	By Salaries	35,000
To Subscriptions	70,000	By Mowing machines	15,000
To Admission fees	8,000	(Purchased on October 1)	
To Sale of grass	2,300	By Groundmen fees	12,000
To Sale of old newspapers	1,300	By Tournament expenses	8,900
To Donations	12,000	By Office expenses	30,000
To Legacies for prizes	40,000	By Newspapers	6,000
To Tournament fund	11,000	By Sports equipments	8,000
To proceeds from film show	7,000	(Purchased on July 1)	
To Interest received (@ 10% on investments)	4,000	By Film show expenses	6,000
		By Prizes given	12,000
		By Balance of C/D	50,800
	1,95,800		1,95,800

Donations are to be capitalised.

	March 31,2014	March 31,2015
Subscriptions due	1,100	1,400
Prereceived subscriptions	400	600
Sports material	6,000	?
Office expense due	200	300

Salaries are to be increased by ₹ 5,000 from the current year. Depreciate sports material and equipment by 10% per annum. Also depreciate mowing machine by 10% per annum.