ROLL NO.

INDIAN SCHOOL SALALAH
FINAL EXAMINATION, FEBRUARY 2025 (AY 2024-25)

Class: XI **ACCOUNTANCY(055)** **Date: 9.02.2025**

Time: 3 Hrs **Maximum Marks:80**

General Instructions:

1. *This question paper contains 34 questions in 8 pages.*
2. *All questions are compulsory.*
3. *Questions 1 to 20 carries 1 mark each.*
4. *Questions 21 to 26 carries 3 marks each.*
5. *Questions from 27 to 29 carries 4 marks each.*
6. *Questions from 30 to 34 carries 6 marks each.*

1	Confidence and trust that the reported information is a reasonable representation of the actual items and events,that have occurred,depicts which qualitative characteristics of accounting information? a) Understandability b) Reliability c) Relevance d) Comparability	1
2	**Assertion (A) :** Accrual basis of accounting makes a complete record of all cash as well as credit transactions. It, however does not follow matching principle of accounting. **Reason (R) :** Accrual basis of accounting is superior to cash basis of accounting because it depicts true profit or loss of the business and is recognized by Companies Act, 2013. a) Both (A) and (R) are true and (R) is the correct explanation of (A). b) Both (A) and (R) are true but (R) is not the correct explanation of (A). c) (A) is true, but (R) is false. d) (A) is false, but (R) is true.	1
3	If seller receives back the goods sold, he will prepare a) Credit Note b) Debit Note c) Both (a) and (b) d) None of these	1
4	Which of the following statements correctly describes the Cost Concept? a) Assets are shown in the books at the price at which it was purchased plus cost of improvement minus depreciation till date. b) Assets are shown in the books at the price it was purchased. c) Assets are shown in the books at the price it was purchased plus cost of improvement. d) Assets are shown in the books at the purchase price or market price whichever is lower.	1
5	Bank Reconciliation Statement is prepared a) at the end of each week. b) at the end of each month.	1

	c) at the end of the accounting year. d) whenever a bank statement is received	
6	A business receives its bank statement showing the closing balance as ₹ 8,500 overdrawn. It is found that there were unpresented cheques of ₹ 2,000 and uncredited deposits of ₹ 1,500. Overdraft as per Cash Book is: a) ₹ 5,000. b) ₹ 5,000. c) ₹ 9,000 d) ₹12,000.	1
7	Reserve is shown in: a) Trading A/c b) Profit & Loss A/c c) Asset side of Balance Sheet d) Liability side of Balance Sheet	1
8	On 1 st July 2020, a machine is purchased for ₹ 1,75,000 and ₹ 25,000 are spent on its installation.Depreciation is charged @ 10% p.a. on diminishing balance method. Books are closed on 31st March each year. On 31st March, 2023 depreciation charged will be: a) ₹ 18,500 b) ₹ 18,000 c) ₹ 16,200 d) ₹ 16,650	1
9	Mahendra a customer from whom an amount was due, declared insolvent and paid 60 paise in a rupee. Total bad debts from him were written off ₹ 7,200. What was the amount actually due from him? a) ₹ 24,000 b) ₹ 18,000 c) ₹ 12,000 d) ₹ 15,000	1
10	Which of the following will be treated as drawings of the proprietor : a) Income Tax b) Life Insurance Premium c) Both a & b d) Neither a nor b	1
11	Indirect Expenses are transferred to a) Trading Account b) Profit & Loss A/c c) Balance Sheet d) All of the above	1
12	A machine was purchased in Bihar.During transit the machine was damaged and the cost of repairs incurred is ₹ 24,000.This expense is treated as: a) Capital expenditure b) Revenue expenditure c) Deferred revenue expenditure d) None of these	1
13	Which accounting concept you would follow in dealing with the situation given below "During the year, the company purchased Pencils worth ₹ 150. These had all been issued from stock and were still in use at the end of the year." a) Money Measurement b) Materiality c) Accrual	1

	d) Going Concern	
14	Given below are two statements, one labelled as Assertion (A) and the other labelled as Reason (R): **Assertion (A)**: Suspense Account may show either a debit or a credit balance. **Reason (R)**: Suspense Account always shows a debit balance. In the context of the above statements, which one of the following is correct? a) Both (A) and (R) are correct and (R) is the correct explanation of (A). b) Both (A) and (R) are correct but (R) is not the correct explanation of (A). c) Only (R) is correct. d) Both (A) and (R) are incorrect.	1
15	Under which concept if advance is received against sale of goods,the advance received is recorded as advance against sale and not sales? a) Accrual concept,Revenue recognition concept b) Accrual concept c) Revenue recognition concept d) Dual aspect concept	1
16	Credit purchases from Y ₹6000 were recorded in the purchase book as ₹6600.In rectifying entry Y's account will be a) Debited by ₹ 600 b) Credited by ₹ 600 c) Debited by ₹ 12,600 d) Credited by ₹ 12,600	1
17	Which of the following limitations of Accounting states that accounts may be manipulated to conceal vital facts: a) Accounting is not fully exact b) Accounting may lead to window dressing c) Accounting ignores price level changes d) Accounting ignores qualitative elements	1
	Read the following hypothetical situation and answer question Nos.18 to 20 on the basis of the given information. ChanderMohan & Sons entered into the following transactions:	

2022	
Feb 10	Sold goods to Akshara for ₹ 2,00,000 on terms 20% trade discount and 5% cash discount if the payment is received within 7 days.60% payment is received on Feb 15 by cheque.
Feb 16	Sold goods to Varsha for ₹ 1,00,000 at 10% trade discount and 5% cash discount if the payment is received within 10 days.She paid 60% amount on Feb 22 and 30% of the remainder on Feb 28.
Feb 20	Sold to Pariksha goods costing ₹ 1,00,000 at 40% profit,allowing 20% trade discount and 5% cash discount.Pariksha made 60% payment immediately by cheque.

18	Amount received from Akshara on Feb 15 will be: a) ₹ 96,000 b) ₹ 91,200 c) ₹ 1,90,000 d) ₹ 1,52,000	1
19	Total amount received from Varsha will be:	1

	a) ₹ 62,100 b) ₹ 78,300 c) ₹ 51,300 d) ₹ 61,560	
20	Amount received from Pariksha on Feb 20 will be a) ₹ 67,200 b) ₹ 68,400 c) ₹ 72,000 d) ₹ 63,840	1
21	Differentiate between Provisions and Reserves on the basis of 1) Meaning 2) Object and 3) Presentation in the Balance Sheet	3
22	Prepare Accounting equation from the following: A) Started business with cash ₹ 1,00,000 and goods worth ₹ 20,000. B) Sold 50% of the above goods at a profit of ₹ 2000 on credit to Ram. C) Ram paid 90% of his amount in full settlement.	3
23	(table below)	3

2024	PREPARE SALES BOOK
MARCH 1	Sold to Ruchira Electronics, Lucknow, vide invoice No. 123 5 BPL T.V. @ ₹ 20,000 each. Less : Trade Discount @ 20%.
MARCH 2	Sold to Garun Electronics, Kanpur, vide invoice No. 124 10 Washing Machines @ ₹ 8,000 each. Less : Trade Discount @ 25%.
MARCH 3	Sold to Hira Bros, Pune, vide cash memoNo. 125 15 BPL Mixture & Juicer @ ₹ 2,000 each. Less : Trade Discount @ 10%.
MARCH 4	Sold to Rahat Electronics, Varanasi , vide invoice No. 126 8 Music System @ ₹ 15,000 each. 10 Colour T.V. Sets @ ₹ 22,000 each Less : Trade Discount @ 20%

24	Prepare a Trial Balance from the following information :	3

	₹
Prepaid Expenses	5,000
Outstanding rent	2,000
Bad debts recovered	4,000
Interest on Investment	1,000
Due to Mohan	5,000
Bank Overdraft	2,000
Discount allowed	8,00
Due from Vinod	1,200

Investment	15,000
Patents	4,000
Machinery	6,000
Capital	18,000

25 Calculate Gross profit: 3

	₹
Opening stock	35,000
Sales (Net)	12,00,000
Purchase (Net)	5,00,000
Administrative Expenses	60,000
Selling and Distribution Expenses	75,000
Loss by fire	30,000
Closing Stock	75,000
Rent Received	10,000

26 Explain the following: 3

A) Accounting Standards
B) GAAP
C) Ind-AS

27 A) Journalise the following transactions. 4

i) Interest due but not received ₹ 4,000.

ii) Salaries due to staff ₹ 25,000.

iii) Out of the rent paid this year, ₹ 2,000 relates to the next year.

iv) Goods costing ₹ 1,000 sale price ₹ 1,250 was stolen.

B) Journalise the following Transactions in the books of Kapil, Delhi.

1. Telephone charges ₹ 4720 (including GST @ 18%).

2. Income Tax ₹ 12000 paid by cheque.

28 The following balances appeared in the Trial Balance of Kanpur Mobiles as at 31st March 2024: 4

Sundry Debtors ₹ 3,05,000

Bad Debts ₹ 5,000

Provision for bad debts ₹ 20,000

The firm agreed to record the following adjustments in the books of accounts. Further Bad Debts ₹ 3,000; maintain provision for bad debts 10%. Show the treatment of the above adjustments in Profit & Loss Account and in Balance sheet as on 31st March 2024.

29	The following balances appear in the books of Z Ltd. As on 01-04-2022 : ₹ Machinery Account 5,00,000 Provision for Depreciation Account 2,25,000 The machinery was depreciated at 10% p.a. on the Fixed Instalment Method; the accounting year being April – March. On 1.10.2022, a machinery which was purchased on 01.07.2019 for ₹ 1,00,000 was sold for ₹ 42,000 and on the same date a fresh machinery was purchased for ₹ 2,00,000. Prepare the **Machinery Account** and **Provision for Depreciation Account** for the **year ended 2022-23**.	4
30	Enter the following transactions in a Cash Book with Cash and Bank Columns.	6

2023 Jan		₹
1	Bank overdraft Cash-in-hand	12,000 2,300
5	Purchased goods for ₹ 40,000; Trade discount 15%	
6	Sold goods for ₹ 30,000; Trade discount @10%	
7	Cheque received from Apex Furniture ₹ 4,000 Discount allowed ₹ 200	
9	Cheque received from Apex Furniture deposited in bank	
12	Cheque paid to Nimesh Bros. ₹ 2,500 Discount received ₹ 50	
15	Apex Furnitures cheque dishnoured	
20	Money withdrawn from bank for office use	3,400
23	Fees of children paid by cheque from business account	75
25	Cheque received from Hemendra and endorsed it to Sanjana	4,500
27	Bank Charges	20
31	Paid into Bank the entire balance after retaining ₹ 700 at office	

31	From the following particulars prepare a Bank Reconciliation Statement in the Books of Nandan Traders as on 28th February 2024 :- i. Balance as per Pass Book on 28th February 2024 ₹ 6,000. ii. Out of total cheques amounting to ₹ 37,500 drawn by Nandan Traders, cheques aggregating ₹ 5,000 were encashed in March 2024.	6

	iii. Out of total cheques amounting to ₹ 12,000 deposited, Cheques aggregating ₹ 7,500 were credited in March 2024. iv. Bank has allowed interest ₹ 303 on his bank balance. v. Amount wrongly debited by bank ₹ 2,400. vi. A cheque of ₹ 1,200 was entered in Cash Book in February 2024, but was sent to bank in March 2024. vii. A cheque of ₹ 13,300 paid into bank was returned dishonored but no intimation was received from the bank till February 2024.	
32	Pass Journal entries to rectify the following errors: (a) ₹ 350 paid is cash for a typewriter was charged to Office Expenses A/c. (b) Goods amounted to ₹ 660 sold to Wilson, were correctly entered in Sales Book but posted to Wilson's Account as ₹ 760. (c) The total sales for the month were overcast by ₹ 1,000. (d) Goods worth ₹ 130 returned by Gita, were entered in Sales Book and posted there from to the credit of Gita's personal account. (e) Wages paid for the construction of office, debited to wages account ₹ 13,000. (f) ₹ 10,000 paid to Garg Furniture Store for the purchase of furniture as per their Cash memo were debited to 'Furniture' A/c.	6
33	Green Limited purchased on 1st April, 2020 a plant for ₹ 80,000. On 1st July, 2021, it purchased additional Plant costing ₹ 48,000. On 1st December, 2022, the plant purchased on 1st April, 2020 was sold off for ₹ 42,000 and on the same date fresh plant was purchased at the cost of ₹ 75,000. Depreciation is provided at 10% per annum on the Diminishing Balance Method every year. Account are closed each year on 31st March. Show the Plant Account for three years.	6
34	Prepare Profit & Loss Account and Balance Sheet as on 31st March, 2024 from the following particulars;	6

	Dr (₹)	Cr(₹)
Capital		3,20,000
Building	4,00,000	
Motor Bike	40,000	
Gross Profit		2,83,000
Bad debts	3000	
Bad debts provision		7000
Bank loan		50,000

Interest on Bank loan	3000	
Commission		9000
Motor Bike expenses	4,000	
Salaries	44,000	
Cash in hand	29,200	
Debtors and Creditors	30,000	20,000
Income Tax	15800	
Closing Stock	1,20,000	
	6,89,000	**6,89,000**

Additional information:

a. Commission includes ₹ 3,000 received in advance.

b. Salaries have been paid for 11 months.

c. Bank loan has been taken at 10% p.a. interest.

d. Depreciate building by 5% and Motorbike by 15%.

g. Write-off ₹ 2,000 as bad debts and provision for Doubtful Debts is to be maintained at 5% on Debtors.