## PRAGATI PUBLIC SCHOOL

Mid Term (2017-18)
Accountancy (Set -B)
Class: XI

Time:3 hrs

M. M: 90

- General Instructions: 1. All questions are compulsory
  - 2. Marks for each question are indicated against it.
  - 3. Attempt all parts of a question together.

1	Which basis of accounting is recognized under the Companies Act, 1956?	1
2/3/	Mention two examples of Revenue Expenditure.	1 :
3/	Distinguish between Cash Basis of Accounting and Accrual Basis of Accounting on the basis of 'reliability'.	1
4).	Total of Sales Book is posted to the credit side of the Sales Account in the General Ledger while individual account of customers is debited by the amount of their respective purchases. Is the above statement correct? Give reasons.	1
5//	What is meant by a 'Journal Proper'?	1
6/	Proprietor of a firm has taken goods for his personal use. The accountant has accounted it as sale in the books of accounts. Is he correct in his accounting?	1
7//	Explain any three objectives of Accounting.	3
8/4	Mention any one difference between journal and ledger.  Mohan & Co. sold goods amounting to Rs.50,000 at a trade discount of 5% to GSC Co. As per the terms, if GSC Co. made full payment to Mohan & Co. within 15 days it will get Cash discount of 2%. GSC Co. paid the full amount within the stipulated time. Determine the amount of Cash discount that GSC Co. may get.  Also pass a journal entry to record this transaction in the books of Mohan & Co.	1+2
9//	X started a business on 1 <sup>st</sup> April, 2012 with a capital of Rs. 50,000 and a loan of Rs. 25,000 borrowed from Y. During 2012 – 13, he had introduced additional capital of Rs. 25,000 and had withdrawn Rs. 15,000 for personal use. On 31 <sup>st</sup> March, 2013 his assets were Rs. 1,50,000. Calculate his closing capital as on 31 <sup>st</sup> March, 2013 and profit made or loss	3
197	If the accounting information is not clearly presented, which of the qualitative characteristic	3
	of the accounting information is violated? Name and explain it.  Also explain any other two qualitative characteristics of the accounting information.	
14/	Due to a major loss in the current year, the accountant of the firm has not charged depreciation on fixed tangible assets. Whether his decision not to charge depreciation is correct?	3
	What will be the impact of the decision on financial statements?	
12/	Give an example for a transaction which results in: Increase in one liability, decrease in another liability. Pass journal entries for the following: Goods destroyed by fire Rs.70,000; Insurance Co. admitted and paid claim for 40% amount.	1+2
13//	Why are the rules of debit and credit same for liability and capital?  Classify the following as per Modern or Traditional classification of accounts:  a. Patents b. Bank Overdraft c. Prepaid Insurance d. Purchases e. Freight f. Premises	1+3
14	A firm has voluminous transactions and, therefore, it records its transactions in Cash Book, Journal and other subsidiary books. The firm follows financial year for its accounts. It prepares its financial statements by April 15 every year. What does this	4

indicate? Mention any two values depicted here. b. Cash book is both a subsidiary book and a principal book. Explain.    Cash book is both a subsidiary book and a principal book. Explain.   Cash book is both a subsidiary book and a principal book. Explain.   Distinguish between Loss and Expense.   Cash Ale
b Cash book is both a subsidiary book and a principal book. Explain.    15
Distinguish between Loss and Expense.  (ii) Distinguish between Loss and Expense.  16  Prepare a trial balance from the following information:  Heads of accounts  Opening Stock  Cash A/c  Capital A/c  Purchases A/c  Sales A/c  Rent A/c  Discount allowed  Sales Returns A/c  Plant & Machinery A/c  Debtors A/c  Creditors A/c  Creditors A/c  Commission received  17  Explain the following Source Documents:  (i) Invoice  (ii) Pay – in – slip  Prove the accounting equation in the following transactions:-  (i) Started business with cash Rs. 1,00,000, goods Rs.12,000 and a computer Rs. 30,000.  (ii) Purchased goods on credit Rs. 16,000.  (iv) Paid to creditor in full settlement Rs. 15,250.  (v) Wages outstanding Rs.2,600.  19  Pass_journal entries:  Wood used for making office furniture Rs. 3,000.  (ii) Rs.8,000 recovered for a bad debt written off last year.  (iii) Nood used for making office furniture Rs. 3,000.  (v) Wages outstanding Rs.2,600.  19  Pass_journal entries:  Wood used for making office furniture Rs. 3,000.  (v) Paid landlord Rs.1,500 for rent. One – third of the premises is occupied by the proprietor for his own residence.  (v) Paid landlord Rs.1,500 for rent. One – third of the premises is occupied by the proprietor for his own residence.  (v) Ram became insolvent. A first and final compensation of 75 p in a rupee received proprietor for his own residence.  (vi) Ram became insolvent. A first and final compensation of 75 p in a rupee received proprietor for his own residence.
(ii) Distinguish b/w non - current assets and current assets by giving two examples of each.  Prepare a trial balance from the following information:  Heads of accounts Opening Stock Cash A/c Capital A/c Purchases A/c Sales A/c Purchases A/c Plant & Machinery A/c Debtors A/c Creditors A/c Commission received  17 Explain the following Source Documents: (i) Invoice (ii) Pay – in – slip  Prove the accounting equation in the following transactions:  (i) Invoice (ii) Pay – in – slip  Prove the accounting equation in the following transactions:  (ii) Purchased goods on credit Rs. 16,000. (iv) Paid to creditor in full settlement Rs. 15.250. (v) Wages outstanding Rs.2,600.  19 Pass_journal entries: (ii) An old machine with the book value of Rs. 28,000 is exchanged for a new machine of Rs. 2,40,000. The balance payment to be made to the supplier, Machine Tools Ltd. Is Rs.1,60,000. (iv) Paid landlord Rs.1,500 for rent. One – third of the premises is occupied by the proprietor for his own residence. (v) Paid landlord Rs.1,500 for rent. One – third of the premises is occupied by the proprietor for his own residence. (vi) Ram became insolvent. A first and final compensation of 75 p in a rupce received
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Purchased goods on credit Rs. 16,000.  (iv) Paid to creditor in full settlement Rs. 15,250.  (vi) Wages outstanding Rs. 2,600.  19 Pass journal entries:  (i) Wood used for making office furniture Rs. 3,000.  (ii) Rs. 8,000 recovered for a bad debt written off last year.  (iii) An old machine with the book value of Rs. 80,000 is exchanged for a new machine of Rs. 2,40,000. The balance payment to be made to the supplier, Machine Tools Ltd. Is Rs. 1,60,000.  (iv) Paid landlord Rs. 1,500 for rent. One – third of the premises is occupied by the proprietor for his own residence.  (v) Goods distributed as free samples Rs. 5,000 (Sales price Rs. 6,000).  (vi) Ram became insolvent. A first and final compensation of 75 p in a rupee received
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noin his official receiver. He owed as a debt of RS.25,000.
MAC INC.
installation.
On 1 <sup>st</sup> July, 2009, it purchased another machinery for Rs.20,000.
On 1st July, 2011, it sold off the first machine purchased on 1st Jan, 2009 for Rs.12,000 and
on the same date purchased a new machinery for Rs.64,000.
Description is available to 100% as an the Wissen Description Description of Assessment 18, 45
Depreciation is provided at 10% p.a. on the Written Down Value Method. Accounts are
closed each year on 31st December. Show the machinery account from 2009 to 2011.
21 / From the following transactions prepare a triple column cash book : 6
Let a From the following transactions prepare a triple continuit cash book.
Apr 2012 Particulars

	4	1	I a I I D- 20 000 and of urbic	b Pe 16 000 is by		
+		3	Capital introduced Rs.20,000 out of which	II KS. 10,000 13 Cy		
	- (		cheque and is deposited in the bank.  Received cheque from Rahul Rs.14,450	and allowed him		
	- (	6/	discount Rs.550	and this weet him.		
	1	10	Rahul's cheque was endorsed to Nitin	1		
-3		15/	Withdrew from bank for office use Rs.1,	500		
		18	Paid for stationery Rs.1,500			
		25	Interest collected by bank Rs.625			
261	Decrease bonds		iliation statement for the month of novemb	er 6		
2//	Delance as no	or mace	book Rs 50,000			
0	Three cheque	s were	issued Rs1,000, Rs2,000 Rs3,000 in month	h of November out of that two		
	cheques were	cleare	d in November	9		
	Cash book shows undercast of debit side by Rs 1,000					
- 1	Pass book wi	ongly o	overcast credit side by Rs 500	111100		
	Directly deposited by the customer into bank Rs 3,000					
1	Bank charge	s Rs 50	0			
3/		owing	transactions of Superior Cloth House in pro-	oper subsidiary books:		
	2012			14/11		
	April 4		rchased from Radha Krishan & Sons:	66%		
		100	metre Cotton cloth @ Rs.40 per metre			
		80	metre Woollen cloth @ Rs.80 per metre	1		
	4 7 12	117	ade Discount 20%; Paid VAT @ 10%	inf.		
	April 12	Raghubir Prasad & Co., purchased from us: 80 metre Silk cloth @ Rs.100 per metre				
		80 metre Silk cloth @ Rs. 100 per metre 150 metre Cotton cloth @ Rs. 50 per metre				
		Te	ade Discount 15%; Paid VAT @ 10%	5. 12 22/65		
	April 16 Purchased for cash from Hari Om & Sons;					
	I April 10	40	metre Silk cloth (a) Rs.120 per metre	8		
1	April 18	Re	turned to Dass & Co. 1	9500		
1	1000000	15	metre Silk cloth @ Rs.90 per metre	7750		
	April 23		rchased a computer printer on credit from	M/s Jaiswal & Sons		
	1000000		Rs.14,000	0,744		
	April 28	Ka	sim & Co. sold to us:	861		
		20	0 metre Cotton cloth @ Rs.35 per metre; P	and VA1 (a)10%		
1/	1		ade discount is 20% and freight charges are			
24/	Chetan has t	he folk	owing balances in his books on 1st March, 2			
4/	Cash Rs.1,5	40; Cas	h at Bank Rs.8,250; Stock RS.19,250; Plan	if & Machinery RS.44,000.		
1	Sundry debt	ors: Ra	jesh Rs. 2.750; James Rs. 1,375	71 665		
6	Sundry Cree	litors: E	Rao Rs.1,925; Samanta Rs.3,575; Capital rs he transactions for the month of March:	171,005.		
~		ig are t	ne transactions for the month of March.	Rs.		
an	2013 March 1	10	Coch Salac	1,925		
00	March 1		Cash Sales Paid Salaries by Cheque	4,500		
3	March 2		Rajesh settled his account by cheque less	V K CA		
	March 5		10% discount	0.00		
	March 9	_	Salary paid to an employee	4,100		
	I WESTCH 9	-	Paid Rao on account	7,650		
	The second secon					
	March 1		Bought goods on credit from Rao	2,805		
	The second secon	9	Bought goods on credit from Rao Goods sold for cash	2,805		

275

and the latest the same