

Class 11th, Accountancy, Practice Paper-2

Time 3 hrs.

M.M. 90

General instructions: All the questions must be attempted in serial order. Working notes should be given neatly with the solutions.

- Q1.** What do you mean by subsidiary journals? (1)
- Q2.** What do you mean by legacy? (1)
- Q3.** What is the nature of Receipt and Payment account? (1)
- Q4.** What do you mean by provision? (1)
- Q5.** What is the purpose of creating secret reserve? (1)
- Q6.** What do you mean by accounting principles? (1)
- Q7.** Who is responsible for preparing Accounting standards in India? (1)
- Q8.** What do you mean by dishonor of bill? (1)
- Q9.** What do you mean by grace days? (1)
- Q10.** What do you mean by compensating error? (1)
- Q11.** Why are following parties interested in accounting information?
(a) Management (b) Employees (c) Government (3)
- Q12.** Write any three points of difference between Book keeping and Accounting. (3)
- Q13.** What do you mean by voucher? Write the purposes of pay-in-slip and debit note? (3)
- Q14.** Enter the following transactions in a cash book with cash and bank columns:
2012
Jan. 1 Cash in hand `10,000
Jan .1 Bank overdraft `5,000
Jan .3 Sold goods to Ram `10,000
Jan. 5 received a cheque from Ram`10,000
Jan. 6 Cash deposited into bank `12,000
Jan .11 Received a cheque from Yogesh `9,000
Jan .20 Paid to Mohan `1,485 in full settlement of `1,500
Jan .22 Yogesh's cheque returned dishonoured. (3)

Q15. Out of your syllabus, mention the concepts to give examples to show that human/moral values are observed by the accounting principles and practices. (4)

Q16. What do you mean by software? Name the types of accounting software used in business. Write any three factors to be considered while choosing accounting software. (5)

Q17. Write any five advantages of Computerized Accounting system. (5)

Q18. (a) Out of Journal and ledger, which is more important and why? (2)

(b) Journalize the following transactions:

(i) Purchased furniture for ` 25,000 and paid ` 200 for its carriage.

(ii) Goods worth ` 1,500 and cash ` 500 were given as charity.

(iii) Wages due to labourers ` 5,000. (3)

Q19. Mahesh, a furniture dealer, has not kept proper books of accounts but it has been possible to obtain the following details:

	31.12.2011 (₹)	31.12.12 (₹)
Trade creditors.....	5,240	6,870
6% Loan from Ajay.....	6,000	6,000
Stock.....	30,380	32,670
Cash in hand.....	4,370	3,780
Shop fittings.....	9,250	8,800
Trade debtors.....	5,680	4,860
Bank Balance.....	4,950	4,160

Calculate net profit for the year, after considering the following:

(a) Shop fittings are to be depreciated by ` 340.

(b) Mahesh has drawn ` 400 per month for his own use.

(c) Included in the trade creditors is an irrecoverable balance of ` 360.

(d) He had brought the sale proceeds of his ancestral property, into business ` 15,600. (5)

Q20. A company purchased a machine on January 1, 2010 for ` 6,00,000. On April 1, 2011 a part of the machine costing ` 40,000 was sold for ` 33,600 and a new machine costing ` 80,000 was purchased on the same date. This machine was also sold at a loss of 15%, on 31 Dec. 2011. The company was charging depreciation at 10% p.a. under diminishing balance

method. Assuming the accounting year from 1st Jan. to 31st Dec. Prepare machinery account for three years 2010,2011 and 2012. (6)

Q21. Prepare a Bank Reconciliation Statement of Mr.Akshat as on 31st Dec. 2012, from the following particulars:

- (i) Credit balance as per pass book ` 20,000
- (ii) The payment of cheques for ` 225 was recorded twice in the pass book.
- (iii) Withdrawal column of the pass book undercast by ` 200.
- (iv) A cheque of ` 200 has been debited in the bank column of cash book but not sent to bank at all.
- (v) A cheque of ` 300 debited to his bank account maintained by the bank has been omitted to be recorded in cash book.
- (vi) `500 dishonoured cheque entered in the pass book but not in the cash book. (6)

Q22. On 1st June, 2012, Anant drew a bill for ` 4,000 on Beant payable after three months. After one month Anant endorsed this bill to his creditor Chintu to whom he owed `5,000, balance paid by cheque, who immediately discounted this bill with his bankers, at 6% p.a. On the due date the bill was dishonored and the bank had to pay `40 as noting charges. You are required to show journal entries in the books of Anant, Beant and Chintu.

(6)

Q23. Rectify the following errors assuming that Suspense A/c was opened:-

- (a) Repairs on machinery ` 1000 debited to machinery account by ` 10000.
- (b) Balance of sales returns book of ` 350 was not included in the accounting books.
- (c) Sales Book was overcast by `1000.
- (d) Discount allowed to Rajat ` 180 have not been posted to discount allowed A/c.
- (e) Bad debts recovered ` 200, credited to personal account of the debtor. (6)

Q24. Prepare Income and Expenditure Account of the club for the year 31-12-12, ascertain the capital fund on 31.12.11 and prepare balance sheet on 31.12.12.

Receipts	`	Payments	`
To Balance b/d	5000	By Salary	7500
To Subscriptions	26000	By Billiard Table	10000
To Entrance free	2500	By Office expenses	3000
To Tournament fees	1300	By Furniture	6300
To Sale of old newspapers	500	By Tournament Exp.	15500
To Legacy	18500	By Sports Equipment	2000
		By Balance c/d	9500

	53,800		53,800

Other information: - On 31-12-12 Subscription outstanding was ` 1000 and on 31-12-11, Subscription outstanding was ` 1500. Salary outstanding on 31-12-12 was ` 1000. On 1.1.12 the club had building ` 40,000, furniture ` 9,000, 12% investment ` 15,000 and sports equipments ` 15,000. Depreciation charged on furniture and sports equipments was 10%.
(8)

Q25. From the following Trial Balance as on March 31, 2012, Prepare Trading and Profit & Loss Account and Balance Sheet of Mr. Sudarshan:

Particulars	Dr.(Amount)	Cr.(Amount)
	(`)	(`)
Land & Buildings	2,40,000	-----
Plant & Machinery	2,50,000	-----
Capital	-----	6,50,000
6% Loan from SIDBI	-----	1,00,000
Sales	-----	9,80,000
Furniture	50,000	-----
Sundry Debtors	2,00,000	-----
Trade Expenses	35,000	-----
Cash in hand	1,00,000	-----
Cash at bank	1,50,200	-----
Wages , Salaries	6,60,000	-----
Stock(31.3.2011)	2,08,000	-----
Sundry Creditors	-----	1,25,200
Purchases Returns	-----	18,000
Rent Received	-----	12,000
Discount	8,000	-----
Drawings	10,000	-----
Bills Receivables/Payables	10,000	30,000
Bad Debts	4,500	-----
Interest	-----	10,500
	19,25,700	19,25,700

Following **additional information** is given to you:

The stock on March 31, 2012 was valued at ` 2, 10,000. Interest on Capital is to be allowed at 6% p.a. Depreciation on machinery to be charged at 12% p.a. Wages were prepaid to the extent of ` 70,000. There were further bad debts ` 5,000. Provision for doubtful debts to be maintained at 5%.
(12)

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