

DAV BR PUBLIC SCHOOL, BINA
PRACTICE PAPER SESSION (2023-24)

Class: _ XI
Time:-3 hrs

Subject: ACCOUNTANCY
MM: -80

Part A

1. Which Qualitative characteristic of accounting information requires the use of common unit and common format of reporting? **1**
Or
Mukesh, a businessman, had paid the house rent where he lives from the business. Is this a business transaction? Give reason
2. If the Rent of One month is still to be paid the adjustment entry will be: **1**
(a) Debit outstanding rent a/c and Credit Rent a/c
(b) Debit Profit & Loss a/c and Credit rent a/c
(c) Debit Rent a/c and Credit Profit & Loss a/c
(d) Debit Rent a/c and Credit Outstanding rent a/c
3. Which of the following errors is revealed by the Trial Balance: **1**
(a) Wrong amount entered into the book of Original entry
(b) Wrong amount posted in the ledger account
(c) Complete omission of an entry from the books of original entry
(d) When accounting principle is violated while recording a transaction in the books of Account.
4. Out of the following Assets which one is not an Intangible Assets: **1**
(a) Patents
(b) Investment
(c) Goodwill
(d) Trademark
Or
Amount received from sale of goods is:
(a) Revenue receipts (b) Capitalize receipts (c) a and b both (d) None of these
5. Imprest amount ₹5000. What will be the amount of reimbursement if following expenses were incurred by the petty cashier during the month – **1**
Wages = ₹1450, Tiffin = ₹1050, Small Repairs = ₹500, General expenses = ₹400.
(a) ₹1600 (c) ₹ 3400
(b) ₹3050 (d) ₹ 3000
Or
Credit balance of bank account in cash book shows :
(a) Overdraft

- (b) Cash deposited in our bank
(c) Cash withdrawn from bank
(d) None of these
- 6.** “Valuation of stock to be made either at its book value or its market value whichever is less” It is stated by which accounting concept? **1**
(a) Cost (b) Money measurement (c) Objectivity
(d) Prudence
- 7.** Goods purchased from Raghav for ₹ 4,500 but goods recorded as ₹ 5,400 in the Purchases Book. The type of error related to: **1**
(a) Error of Omission (b) Error of Commission
(c) Error of Partial Omission (d) Error of Principle
- 8.** X Ltd of Bilaspur, an owner of a shopping mall received rent on 1st April, 2020 from 20 tenants @ ₹ 15,000 per month for 18 months for the year ended 31st March, 2021. As per the revenue recognition concept of accounting, Rent an income to be realised by ₹ _____. **1**
(a) 1,80,000
(b) 2,70,000
(c) 36,00,000
(d) 54,00,000
- 9.** The accounting concept which suggested that each transaction should be recorded in the books of account by supporting vouchers of transactions _____. **1**
(a) Objectivity (b) Dual aspect (c) Materiality (d) Consistency
- 10.** Choose the correct answer from the following; **1**
Seema Furniture House returned tables and chairs worth ₹ 1,10,000 to Mahesh Furniture Mart. Where would you record this transaction?
(a) Journal proper
(b) Return Inward book
(c) Return outward book
(d) Cash book
- 11.** Double Entry means: **1**
(a) Entry for the two aspects of books
(b) Entry at two dates
(c) Entry in two aspects of transaction
(d) All of the above
- 12.** The liability arising from the purchase of goods on credit is called (a) Creditors **1**
(b) Accounts Receivable
(c) Loan
(d) Payable expenses
Or
If the capital of a business is Rs 5,00,000 and outside liabilities are Rs 2,00,000. Calculate the total assets of the business
(a) Rs 7,00,000
(b) Rs 3,00,000
(c) Rs 9,00,000
(d) None of these

- 13.** Distinction between an expenditure whose benefit will be for a long period and whose benefit for a short period of say up to one year, is made under which of the following. (a) Accounting Entity
(b) Going concern Entity
(c) Money Measuring Entity
(d) Accounting Period **1**
- 14.** The following balances appear in the books of Ram & CO **1**
Cash – ₹20,000; Machinery – ₹50,000; stock – ₹1,00,000; Debtors – ₹40,000 and creditors – ₹30,000 The value of capital will be
(a) ₹2,10,000
(b) ₹1,80,000
(c) ₹1,00,000
(d) ₹1,60,000
- 15.** What is Secret Reserve? **1**
Or
Which of the following statements is not appropriate in relation to "Provision"?
(a) Provision is a charge against profit
(b) Provision is created for known liability
(c) Provision is created for strengthening the financial position of the business.
(d) Creation of provision satisfies the principle of conservatism
- 16.** “When a person brings in some money as capital into his business, in accounting records, it is treated as liability of the business to the owner.” The concept relate to the..... **1**
(a) Objectivity (b) Money measurement (c) Business entity
(d) Dual aspect
- 17.** Differentiate between Provision and Reserve on the basis of following: **3**
(a) Basic Nature
(b) Purpose
(c) Use for payment of dividend
- 18.** Write any three interested users of Financial Statements of an organization along with the reason of their interest in it. **3**
Or
Define Accounting. Explain its objectives(any two).
- 19.** Show the effect of the following transactions on assets, liabilities and capital through Accounting Equation: **3**
(1) Amit started business with cash ₹ 40000 and bank balance ₹10,000.
(2) Purchased goods for cash ₹15000 and on credit ₹5000.
(3) Sold goods costing ₹8000 for Cash at a profit of 10% on cost.
(4) Rent due ,but not paid ₹500
- 20.** Prepare a Purchase Day book of Shiv Stationery from the following information. **3**

Date	Particulars
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2018 Purchased from Gagan Stationery Mart on credit
 June 1 (a) 70 dozen pencils @ ₹ 25 dozen
 (b) 10 dozen registers @ ₹ 15 per register
 June 10 Purchased from Amrit Furniture 2 tables @ ₹ 1,500
 per table.
 June 15 Purchased 3 dozen ink pots @ ₹ 80 per dozen from
 Mehar paper Company and received cash discount
 of ₹ 50
 June 18 Purchased from Rehman
 Bros. on credit (a) 5 reams of white paper
 @ ₹ 50 per ream (b) 120
 pens @ ₹ 60 per dozen.

Less Trade Discount of 10%

- 21.** Pass Journal Entries in the books of Shri Zahid of Rajasthan assuming CGST@9% and SGST @9% for the following transactions: **4**
- Purchased goods for ₹3,00,000 from Jitender of Gujrat.
 - Sold goods costing ₹80,000 to Mr. Babudin of Rajasthan at a profit of 25% on cost less trade discount 10%.
 - Paid for advertisement ₹50,000.
 - Proprietor withdrew for personal use ₹10,000.

Or

Prepare a Trial Balance from the following items:

Account	₹	Account	₹
Capital	24,000	Building	12,000
Opening stock	8,500	Returns inward	1,900
Furniture	2,600	Returns outward	350
Purchases	8,950	Trade expenses	1,000
Cash	7,300	Discount received	970
Carriage	300	salary	3,000
Sales	22,500	Office rent	2,270

- 22.** From the following particulars of Mr. Vinod, prepare bank reconciliation statement as on March 31, 2023. **6**
- Bank balance as per cash book ₹ 50,000.
 - Cheques issued but not presented for payment ₹ 6,000.
 - The bank had directly collected dividend of ₹ 8,000 and credited to bank account but was not entered in the cash book.
 - Bank charges of ₹ 400 were not entered in the cash book.
 - A cheque for ₹ 6,000 was deposited but not collected by the bank.
 - Discounted bill from the bank was dishonoured but not taken into cash book of ₹ 12,000
- 23.** Record the following transactions in double column cash book of Mr. Rakesh Verma and balance it. **6**
- Sept. 01: Balance of cash ₹ 22,000 and Bank overdraft ₹ 2,500.
 Sept. 06: Received cheque on October 28th, for ₹ 4,000 from Gaurav

sent into the bank.

Sept. 10: Bank has collected and deposited: Interest of ₹ 6,000; Dividend of ₹ 8,000. Sept. 16: Bank has paid several payments on its due date: Insurance premium of ₹ 3,000 and School fees of the child of Rakesh Verma ₹ 5,000.

Sept. 24: Cash deposited into the bank ₹ 12,000.

Sept. 29: Sold goods (costing ₹ 25,000) at 20% profit for cash.

- 24.** Trial balance of M/s Rathi Brothers did not agree and the accountant put the difference to suspense account. He discovered the following errors: **6**

(a) Sales return book overcast by ₹ 800.

(b) Purchases return to Sahu ₹ 2,000 were not posted.

(c) Goods purchased on credit from Narula ₹ 4,000 though taken into stock, but no entry was passed in the books.

(d) Installation charges on new machinery purchased ₹ 500 were debited to sundry expenses account as ₹ 50.

(e) Rent paid for residential accommodation of Mohan (the proprietor)

₹ 1,400 was debited to Rent account as ₹ 1,000.

Rectify the errors and prepare suspense account to ascertain the difference in trial balance.

- 25.** M/s Ashoka Traders purchased two trucks for transportation of goods on 1st April, 2017 **6**

@ ₹ 7,50,000 per truck. On 31st March, 2020, one truck was sold for ₹ 3,20,000 and a new one was purchased for ₹ 10,00,000.

You are required to prepare Truck Account and Provision for Depreciation Account from 1st April 2017 to 31st March 2020; in the following terms:

(a) Firm close its books of account on 31st March every year.

Firm provide depreciation on Truck @ 20% p.a. under Written Down Value (WDV) method.

OR

Following balances appear in the books of Dinesh as on 1st April, 2018

Machinery account Rs. 8,00,000

Provision for Depreciation Rs. 3,10,000

On 1st July, 2018 a machinery which was purchased on 1st April, 2015 for Rs. 1,20,000

was sold for Rs. 50,000 and on the same date another machinery was purchased for 32,000. The firm charges dep@15%p.a. on original cost method and closes its books on 31st March every year.

Prepare Machinery Account and Provision for Depreciation Account for the year 2018-19

Part B

- 26.** Net Sales ₹6,00,000. **1**
Gross Profit 25% on cost.
Calculate cost of Goods sold.

- 27.** Income Tax paid by a sole trader is reflected in his financial statements: **1**
- (a) On the debit side of the Trading a/c
 - (b) On the debit side of Profit and Loss a/c
 - (c) As an asset in the Balance Sheet
 - (d) As way of deduction from Capital in the Balance sheet.

- 28.** If Closing Stock appears in the Trial Balance then it will be appearing in: **1**
- (a) Trading a/c
 - (b) Balance Sheet
 - (c) Profit and Loss a/c
 - (d) Trading a/c and Balance Sheet.

Or

Choose the correct chronological order of ascertainment of the following profits from the profit and loss account:

- (a) Operating Profit, Net Profit, Gross Profit
 - (b) Operating Profit, Gross Profit, Net Profit
 - (c) Gross Profit, Operating Profit, Net Profit
 - (d) Gross Profit, Net Profit, Operating Profit
- 29.** The Manager is entitled to a commission of 5% on profit after charging such commission The profit before charging such commission is ₹ 10500. Hence the Manager's commission will be _____ **1**

- 30.** Differentiate between capital expenditure and revenue expenditure. **3**
- Or

The following are the extracts from the trial balance of M/s Bhola & Sons as on March 3 2017

Account title	Debit	Credit
Opening stock	2,00,000	
Purchases	8,10,000	
Sales		
10,10,000		10,10,000
10,10,000		

Closing Stock as on date was valued at ₹ 3,00,000.

You are required to record the necessary journal entries and show how the above items appear in the trading and profit and loss account and balance sheet of M/s Bhola & Sons.

- 31.** Compute cost of goods sold for the year 2021 with the help of the following information. **3**

Sales	20, 00,000
Purchases	15, 00,000
Wages	1, 00,000
Stock (Apr. 01, 2020)	3, 00,000
Stock (March 31, 2021)	4,00,000
Freight inwards	1,00,000

- 32.** Prepare the profit and loss account and balance sheet from the following information as on March 31, 2021 **4**

Debtors 80,000
 Bad debts 2,000
 Provision for doubtful debts
 5,000 **Adjustments :**

Bad debts ₹500 Provision on debtors @ 3%.

- 33.** Prashad keeps his books on Single Entry System. From the following information given by him, ascertain his profit or loss for the year ended 31st March, 2023: On 31st March, 2022 his position was: **4**

Plant and Machinery 30,000; Stock ₹ 5,000; Cash in Hand * 100; Debtors * 17,000; Laan from Anish 1,000 at 4% p.a. interest; Bank Overdraft 1,100 and Creditors 12,120.

On 31st March, 2023 he owed to his creditors 9,170 and had paid to Anish 1500 in lieu of his loan on 1st October, 2022 but had paid no interest. He had bought additional Plant and Machinery which costed 13,000. Debtors were 23,000 out of which 900 he would not be able to collect. The Cash and Bank Balance was 4,100. Stock at the end was valued at 4,500.

Prashad withdrew 8,300 for domestic purposes. He introduced a further capital of 10,000 during the year.

- 34.** The following balances are taken from the books of Mr. Niranjana. You are required to prepare Trading and Profit and Loss Account and Balance Sheet for the year ending on 31 March 2023. **6**

Particulars	Amount	Particulars	Amount
Capital	1,20,000	Drawings	21,000
Opening stock	45,000	Plant and Machinery	24,000
Furniture	1,500	Purchases	2,95,000
Sales	4,35,000	Insurance	1,500
Purchase Return	4,000	Sales return	7,000
Rent	5,000	Trade expenses	2,000
Salaries	24,000	Wages	40,000
Bad debt	1,000	6% Investments	50,000
Debtors	40,000	Creditors	19,000
Reserve for bad debts	800	Cash	12,200
Advertisement	6,000	Miscellaneous Receipts	1,200
Patents	4,800		

Adjustments:

- i. Closing Stock Rs.75,000.

- ii. Depreciate Machinery by 10% and Furniture by 20%.
- iii. Wages Rs.5,000 and Salaries Rs.1,200 are outstanding.
- iv. Write off Rs.500 as bad Debts and create 5% Provision for Bad debt. Also create a reserve for discount on Debtors @ 2%.
- v. Investments were made on 1-07-2021 and no interest has been received so far.

OR

Q30.The following is the Trial Balance of Mr. Atul as at 31st March, 2023.

Debit balances	Rs.	Credit Balances	Rs.
Stock (1st April, 2022)	4,50,000	Miscellaneous income	12,000
Cash in hand	1,22,000	Sales	43,50,000
Purchases	29,50,000	Returns	40,000
Returns	70,000	Sundry creditors	1,90,000
Rent	50,000	Bills payable	8,000
Wages	4,00,000	Capital	12,00,000
Sundry Debtors	4,00,000		
Bad debts	10,000		
Salary	2,40,000		
Printing and stationary	60,000		
Patents	48,000		
Plant and machinery	2,40,000		
Furniture	15,000		
Drawings	2,10,000		
Insurance	15,000		
Trade expense	20,000		
6% investments	5,00,000		
			17,00,000

Prepare the Trading and Profit and loss Account for the year ending 31st March 2023 and the Balance Sheet as on that date after taking into account the following adjustments:

- (i) Closing Stock was valued at Rs. 7,50,000
- (ii) On 1st January, 2017 a new machinery costing Rs. 80,000 was purchased on credit but no entry has been passed.
- (iii) Wages Rs.50,000 and salaries Rs.20,000 are outstanding.
- (iv) Write off Rs.50,000 as further bad debts and create 5%provision for Doubtful debts.Also create Provision for for discount on debtors @2%.
- (v) Investments were made on 1st july,2022 and no interest has been received so far.

*****BEST WISHES!! *****