

D.A.V. PUBLIC SCHOOLS, MP ZONE
HALF YEARLY EXAMINATION SESSION 2024-25
PRACTICE PAPER
Class-XI **Subject-ACCOUNTANCY**

Time Allowed: 3 Hrs.

MM: 80

General Instruction:

1. *This question paper contains 34 questions.*
2. *Marks are indicated against each question.*
3. *Answers should be brief and to the point.*
4. *Attempt all parts of the questions together.*
5. *Show the working notes wherever necessary.*

1. Voucher is prepared for: 1
a) Cash and Credit purchases b) Cash and Credit sales
c) Cash received and paid d) All of these
2. Suresh advanced three months' salary to an employee of his firm. This advance salary is 1

a) Revenue expense b) Capital expense c) Current asset d) Current Liability
3. _____ is not the part of trial balance generally. 1
a) Opening Stock b) Closing Stock
c) Capital d) Depreciation
4. Assertion (A): Accounting is an art as it involves recording, classifying, summarising 1
business transactions with a view to ascertain the net profit.
Reason (R): Accounting is a science since it is based on certain specified principles and
accounting standards.
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 and R is true.
5. A _____ is an order in writing drawn upon a bank to pay a specified sum to the 1
bearer or the person named in it.

(a) Voucher (b) Debit note
(c) Invoice (d) Cheque

6. Ridhi from whom Goods were purchased at a trade discount of 10%, amount paid to Ridhi (Creditor) in full settlement at a 2% cash discount i.e. ₹ 900. What was the list price of the goods purchased? 1
- (a) ₹ 45,000 (b) ₹ 48,000 (c) ₹ 50,000 (d) ₹ 60,00

7. Which of the following is not correctly paired- 1
- a) Trade marks- Intangible assets
 b) Bills receivables- Current Assets
 c) Copy Right – Fictitious Asset
 d) Equipment – Tangible Assets

8. Match the following Principles in Column A with the statement in Column B 1

A	B
A. Matching concept	i. Verifiable documents
B. Cost concept	ii. Comparison of accounting information
C. Consistency concept	iii. Correctly determines the profit periodically
D. Objectivity concept	iv. Purchase price of Assets

Choose the correct option-

- (a) A-i; B-iv; C-iii; D-iv
 (b) A-iv; B-ii; C-i; D-iii
 (c) A-iii; B-iv; C-ii; D-i
 (d) A-iv; B-iii; C-ii; D-i
9. Which one of the following is NOT a contra transaction in Two Column Cash Book? 1
- a) Cash deposited into bank b) Cash withdrawn from bank for domestic purpose
 c) Opened a new account with bank d) Cash withdrawn from bank for office use.
10. The company has collected money from its debtors by cheque. What is the effect on assets and liabilities 1
- a) Decrease in asset and decrease in liability
 b) Increase in asset and decrease in capital
 c) Decrease in an asset and increase in another asset
 d) Decrease in an asset and increase in liability

OR

If Cash= Rs.1000; inventories= Rs.4000 Debtors= Rs.5000; fixed assets=? Capital + Liabilities= Rs.18000. Find out the Amount of fixed assets?

- a) Rs.15000 b) Rs.8000 c) Rs.20000 d) Rs.1000
11. A trader provides accounting information to its users, whenever it is required. Specify the qualitative characteristics of accounting mentioned here. 1
- a) Understandability b) Relevance c) Comparability d) Reliability
12. From the following events identify which one is a business transaction. 1
- a) Ordered a machinery worth Rs. 10000
 b) A new manager is appointed
 c) Sold goods on credit
 d) Swathi purchased a land for the construction of her house

- 13.** What kind of accuracy is tested by Trial balance- **1**
 (a) Theoretical
 (b) Practical
 (c) Arithmetical
 (d) Practical and Arithmetical both
- 14.** Accounting is mainly concern with: **1**
 a) Recording financial data relating to business operations and classifying it.
 b) Designing a system for recording, classifying and summarizing
 c) Interpreting data for internal and external users
 d) All of these
- 15.** Which of the following errors will not affect the Trial Balance **1**
 (a) Error of posting to correct account but with wrong amount.
 (b) Error of posting to correct account but on wrong side.
 (c) Error of posting to wrong side with wrong amount.
 (d) Error in recording a transaction.
- 16.** Assertion(A): As per the Prudence Principle ‘Closing Stock is valued at cost price or its net realizable value whichever is less.’ **1**
 Reason (R): So that a business firm cannot show the better picture than what it actually is.
 Choose the correct option-
 (a) Both assertion (A) & reason (R) are correct & reason is the correct explanation of assertion.
 (b) Both assertion (A) & reason (R) are correct but reason is not the correct explanation of assertion.
 (c) Assertion (A) is correct but reason (R) is incorrect.
 (d) Assertion (A) is incorrect but reason (R) is correct.
- 17.** When a trader sells goods on credit, he prepares a sale _____ which contains the name of the party to whom goods are sold, the rate, quantity and the total amount of sale. **1**
 a) memo b) Both bill and invoice c) invoice d) bill

Question No. 18 to 19 are based on the given text. Read the text carefully and answer the questions: **1**
 Dukuma is an MSME business in the Alwar district of Rajasthan. It is 40 years old business of selling hardware parts to local traders of the district and some other retailers of Rajasthan. The company has multiple SKUs and the inventories are valued by their accountant. The accountant of the enterprise also happens to be a good friend of the owner of the enterprise. Therefore, the fees of the accountant was not paid in the year when pandemic set in as the firm was going through cash-crunch. However, the accountant entered the amount of his fees as expense even though cash was not paid. He justified his act by stating some accounting concepts. The accountant further completed the books of accounts for the year ended 31st March, 2024. Over the years, the company has developed a reputation in market by supplying high quality products and customer-friendly service. The owner of the firm asked the accountant to enter this fact but accountant denied and gave the correct reasons. The owner was contended.

18. Which principle/concept of accounting is highlighted in the line, Therefore, the fees of the accountant was not paid in the year when pandemic set in as the firm was going through cash-crunch. However, the accountant entered the amount of his fees as expense even though cash was not paid?
 a) Accrual concept b) Dual aspect principle
 c) Cost principle d) Consistency concept
19. The company follows the calendar year as accounting year. Which principle is highlighted in the fact that firm divided the whole life of firm into small financial years?
 a) Accounting period principle b) Dual aspect principle
 c) Materiality principle d) Prudence principle
20. Read the following statement
 “Recording is made in Journal Proper of:
 1) Contra entries 2) Adjustment Entries
 3) Compound entries 4) Opening Entries
 Choose the correct alternative-
 (a) All of the 4
 (b) 1st and 2nd only
 (c) 1st ; 3rd and 4th only
 (d) 2nd and 4th only
21. Explain the following source documents-
 (a) Invoice (b) Debit note (c) Pay in slip
- OR**
- Give an imaginary transaction for each of the following effects
 (a) Increase an asset and decrease another asset
 (b) Increase liability and decrease Capital
 (c) Increase asset and increase capital
22. ‘As it is beyond the control of humans to remember the various transactions taking place in the business, accounting is used for systematic maintenance of all the financial transactions in books of accounts.’
 (a) Identify the objective of accounting, highlighted in the above lines.
 (b) State any two other objectives also.
- Or**
- Explain any three limitations of accounting information.
23. “Accounting standards are written statements issued by ICAI, specifying uniform rules or practices for preparing financial statements.” State the objectives of these standards.
24. On 31st March, 2024 the total assets & external liabilities of RK Ltd. were ₹ 2, 00,000 and ₹ 6,000 respectively. During the year, the proprietor had introduced additional capital of ₹ 20,000 and had withdrawn ₹ 12,000 for personal use. He made a profit of ₹ 20,000 during the year. Calculate the capital as on 1st April, 2023.
25. Name any three users of accounting information and state their interest in accounting information.

26. Roshan, a chartered accountant earned ₹.12,00,000 during the financial years 2023-2024. 3
Out of which he received ₹.10,50,000. He incurred an expense of ₹.5,10,000, out of which ₹.1,20,000 are outstanding. He also received his fees relating to previous year ₹.1,35,000 and also paid Rs.60,000 expenses of last year. Find out Rohan's income for 2023-2024 following the cash basis and accrual basis of accounting.

OR

Name and state the accounting concept or convention associated with the following

- i. Assets are recorded at cost, irrespective of the market price.
 - ii. Life of a business should be divided into smaller periods.
 - iii. Accounting transactions should be free from bias of accountants and others.
27. Identify and explain the type of error in the following transactions: 4
- (a) Wages paid for construction of new cycle stand is debited to wages account
 - (b) In the sales book for the month of April total of Page no.2 was carried forward to Page 3 as ₹1000 instead of ₹1,200 and total of Page No.6 was carried forward to Page No.7 as ₹5,600 instead of ₹5,000
28. Explain the following terms- 4
- (a) Capital Expenditures
 - (b) Liabilities
 - (c) Deferred Revenue Expenditures
 - (d) Accounts Receivables
29. From the following balances, taken from the books of M/s Dwarka Parshad & Sons as 4
at 31st March 2024, prepare a Trial Balance in proper form :-

Name of Accounts	AMOUNT (₹)	Name of Accounts	AMOUNT (₹)
Cash in Hand	4,500	Machinery	24,000
Bank Overdraft	8,000	Land & Buildings	50,000
Opening Stock	20,000	Debtors	18,400
Purchases	80,000	Creditors	8,500
Purchases Returns	2,000	Bills Receivable	2,850
Sales	1,30,000	Bills Payable	1,650
Sales Returns	5,000	Capital	60,000
Travelling Expenses	1,800	Drawings	6,000
Discount Allowed	600	Rent	3,700
Discount Received	1,500	Salaries	3,600
		Loan (Cr.)	10,000
		Interest on Loan	1,200

30. Prepare a ledger of Machinery from the following transactions:

6

	₹
(i) Machinery purchased	40,000
(ii) Machinery sold	10,000
(iii) Machinery purchased	8,000
(iv) Machinery discarded	14,000
(v) Depreciation on machinery	1,000

B. Prepare Cash Ledger from the following transactions and balance the account:

- (i) Mohan started business with cash – ₹ 40,000
- (ii) Purchased Goods – ₹ 20,000
- (iii) Sold Goods – ₹ 24,000
- (iv) Paid Rent – ₹ 400
- (v) Paid salaries – ₹ 600
- (vi) Drew for personal use – ₹ 1,000

31. Journalise the following transactions in the books of

6

- (a) Started business with Cash ₹ 50,000 and Cheque of ₹ 4, 00,000.
- (b) Bought goods of the list price of ₹ 1, 00,000 from Rohan Bros. less 20% trade discount and 5% cash discount on purchase price. 60% of the amount was paid immediately by cheque.
- (c) Sold goods to Tanuj & Co. of the list price of Rs. 2, 00,000 less 15% trade discount and 4% cash discount on sale price and received 40% by cheque.
- (d) Paid to Rama Shankar ₹ 95,000 by Cheque after deducting 5% cash discount.
- (e) Withdrew from bank ₹ 60,000 for office use and ₹ 20,000 for personal use.
- (f) Received by Cheque for a bad debt written off last year ₹ 10,000.

32. Show the Accounting Equation:

- (a) Commenced business with cash ₹ 50,000, Goods ₹ 30,000 and Furniture ₹ 25,000
- (b) Purchased goods from Ranjna on credit ₹ 20,000.
- (c) Sold goods for cash ₹ 14,000 (Costing ₹ 15,000).
- (d) Sold goods to Raj on credit ₹ 27,500 (Costing ₹ 25,000).
- (e) Withdrew for personal use goods costing ₹ 1,500 and Cash ₹ 2,300.
- (f) Purchase Computer for office use for Cash ₹12,500.
- (g) Paid ₹ 18,000 to Ranjna in full settlement of her account.
- (h) Half of the above goods sold at a profit of 20%. Half of which received in cash.

6

33. Prepare a Double column cash book from the following.

2024

Jan 1 Opening balance – Cash Rs.12,000, Bank Rs.16,000

4 Bought furniture by cheque Rs.14,000

8 Sold goods for cash Rs.5,000

10 Paid cash into bank account Rs.10,000

15 Paid for stationery Rs.500

21 Received cheque from Appu Traders Rs.7,500

25 Withdrew from bank for personal use Rs.1,000

30 Appu Trader's cheque returned dishonoured

34. Give Journal Entries to rectify the following errors:

i. Goods purchased from Ajay for ₹2,600 were recorded in Sales Book by mistake.

ii. Goods for ₹4,400 sold to Surendra was passed through Purchase Book.

iii. A customer returned goods worth ₹1,000. It was recorded in the 'Purchase Return Book'.

iv. A credit sale of ₹126 to Rajesh was entered in the books as ₹162.

v. The sale of old chairs and Table for ₹700 was treated as a sale of goods.

vi. Rent of proprietor's residence, ₹800, debited to Rent A/c.

OR

During the course of an accounting year, the accountant prepared a trial balance which did not tally. He put the difference in a suspense account. Subsequently, he located the following errors in his books of account:

i. The total of the returns outwards book, ₹21,500 has not been posted.

ii. A sale of ₹4,300 to Ramesh has been credited to him as ₹3,400.

iii. A sale of ₹2,960 to Shyam has been recorded in the sales book as ₹2,690.

iv. Old furniture sold for cash worth ₹5,400 has been posted in the sales account as ₹4,500. There was no profit or loss on the sale.

v. Goods taken by proprietor worth ₹1,000 have not been recorded in the books of account at all.

Pass journal entries to rectify the above-mentioned errors and prepare a suspense account assuming no error has remained undetected.

35. Enter the following transactions in the Purchase Book of Anirudh Stationery Stores, New Delhi and prepare the ledger account of Purchases and Surya Stores. 6

2024

July 6 Purchased goods from Surya Stationary Store, Palika Bazar, on credit (Invoice No. 2280):

200 Registers @ ₹ 20 each

50 Paper Rims @ ₹ 150 each

20 packets of Pencils @ ₹12 per packet

Trade Discount 5%

July 12 Bought goods from New Book store, Gandhi Chowk, on credit (Invoice No. 1410):

20 Accounts Books @ ₹450 each

40 Business Studies Books @ ₹ 200 each

40 Economics Books @ ₹ 200 each

Trade Discount 20%

July 15 Purchased goods from Ravindra Pen dealers., Patel Nagar, on credit (Invoice No. 1602):

60 packets pens @ ₹120 per packet

July 25 Bought from Sunny Printers, Lajpat Nagar, for cash (Invoice No. 705):

50 dozen note books @ ₹ 75 per dozen

July 30 Bought from Fashion Furniture Co., Chitra Gupta Road, on credit (Invoice No. 5450):

12 Chairs @ ₹ 200 each

2 Tables @ ₹ 1,000 each
