

11TH ACCOUNTANCY QUARTERLY EXAM – ANSWER KEY SEP - 2022

DR.A.VENNILA

PRINCIPAL

MYDEEN MATRIC. HR.SEC. SCHOOL

MELACAUVERY – KUMBAKONAM.

CELL NO.: 8220179521

8608481579

I. Choose the most appropriate answer**20 x 1 = 20**

1	B	Stewardship Accounting	11	D	Balancing
2	C	Balance Sheet	12	A	Statement
3	B	Employee	13	C	Suspense Account
4	C	Business Entity Concept	14	B	On a particular Account
5	B	Generally Accepted Accounting Principles	15	C	Journal Proper
6	D	The Institute of Chartered Accountants of India	16	C	All credit sales of goods
7	D	Rs.4,40,000	17	A	The expenses relating to postage and conveyance
8	D	Representative Personal A/c	18	A	Contra Entry
9	A	Minimum of Two Accounts	19	B	Business
10	D	Know the balance of each ledger account	20	C	The balance as per the bank column of the cash book and the bank statement

II. Answer any 7 questions. Question No. 30 is Compulsory**7 x 2 = 14****21). Definition of Accounting:**

American Accounting Association has defined accounting “**the process of identifying, measuring and communicating economic information to permit informed judgements and decisions by users of the information.**”

22). Definition of Book-Keeping:

“Book-keeping is an art of recording business dealings in a set of books”. - *J.R.Batliboi.*

[OR]

“Book-keeping is the science and art of recording correctly in the books of account all those business transactions of money or money’s worth”. -*R.N.Carter.*

23) Transactions:

- Cash paid to creditors
- Fixed assets purchased for cash

24) In the books of Shyam**Journal entries**

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
2018 April 1	Cash A/c To Shyam's capital A/c (Shyam commenced business with cash Rs.3,00,000)	Dr.	3,00,000	3,00,000
2	Bank A/c To Cash A/c (Cash paid into bank (or) Cash deposited with the bank)	Dr.	2,70,000	2,70,000

25) Posting - Meaning:

- The process of transferring the debit and credit items from the journal to the ledger accounts is called posting.

26) Types of Cash Book:

The main cash book may be of various types and following are the three most common types.

- Simple or single column cash book (only cash column)
- Cash book with cash and discount column (double column cash book)
- Cash book with cash, discount and bank columns (three column cash book).

Apart from the main cash book, petty cash book may also be prepared to enter the petty expenses, i.e., expenses involving small amount.

27. Average Period:

Date of Bill	Period of Bill	Due Date
1 st March	2 Months	4 th May
12 th July	1 Month	14th August, since 15th August (being Independence day) is a public holiday.

28. Trial Balance is prepared in the following methods:

- Balance method
- Total method
- Total and Balance method
 - Totals of debit side of the ledger accounts,
 - Totals of the credit side of the ledger accounts
 - Debit balances of ledger accounts and
 - Credit balances of the ledger accounts. This method is not in practice.

29. Journal Proper – Meaning:

- Journal proper is a residuary book which contains record of transactions, which do not find a place in the subsidiary books such as cash book, purchases book, sales book, purchases returns book, sales returns book, bills receivable book and bills payable book.

30. Bank Reconciliation Statement - Meaning:

- If every entry in the cash book matches with the bank statement, then bank balance will be the same in both the records. But, practically it may not be possible.
- When the balances do not agree with each other, the need for preparing a statement to explain the causes arises.
- This statement is called bank reconciliation statement (BRS).

III. Answer any 7 questions. Question No. 40 is Compulsory**7 x 3 = 21****31. Accounting Equation**

$$\begin{array}{l} \text{a) Assets} = \text{Capital} + \text{Liabilities} \\ 3,00,000 = 80,000 + \underline{2,20,000} \end{array}$$

$$\begin{array}{l} \text{b) Assets} = \text{Capital} + \text{Liabilities} \\ \underline{2,00,000} = 1,20,000 + 80,000 \end{array}$$

32. Ledger – Meaning:

- Ledger account is a summary statement of all the transactions relating to a person, asset, liability, expense or income which has taken place during a given period of time and it shows their net effect
 - It is a book which contains all sets of accounts, namely, personal, real and nominal accounts.
 - Account wise balance can be determined from the ledger.

Utilities of Ledger:

- **Quick information about a particular account:** Ledger account helps to get all information about a particular account like sales, purchases, machinery, etc., at a glance.
- **Control over business transactions:** From the ledger balances extracted, a thorough analysis of account balances can be made which helps to have control over the business transactions.
- **Trial balance can be prepared:** With the balances of ledger accounts, trial balance can be prepared to check the arithmetical accuracy of entries made in the journal and ledger.

33. Journal entries

Date	Particulars	L.F	Debit Rs.	Credit Rs.
2016 June 1	Cash A/c Dr. To Capital A/c (Commenced business with cash)		1,10,000	1,10,000
10	Cash A/c Dr. To Capital A/c (Additional Capital introduced)		50,000	50,000
28	Drawings A/c Dr. To Cash A/c (Withdraw cash from bank for office use)		20,000	20,000

Ledger Accounts

Dr.		Cash Account				Cr.	
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.
2016 June 1 10	To Capital A/c To Capital A/c		1,10,000 50,000	2016 June 28 30	By Drawings A/c By Balance C/d		20,000 1,40,000
			1,60,000				1,60,000
July 1	To Balance b/d		1,40,000				

34. Subsidiary Books

- (i) Journal Proper
- (ii) Sales Book
- (iii) Purchase Book
- (iv) Journal Proper
- (v) Purchase Return Book
- (vi) Journal Proper

35.

Sales Book

Date	Particulars	I.N	L.F.	Amount	
				Details Rs.	Total Rs.
2017 Aug. 1	Senthil		68		20,500
4	Madhavan		74		12,800
7	Kanagasabai		78		7,500
	Sales A/c	Cr.			40,800

Ledger Accounts

Dr.		Sales Account				Cr.	
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.
2017 Aug. 31 31	To Sales Return A/c To Balance C/d		3,300 37,500	2017 Aug. 31	By Debtors A/c		40,800
			40,800				40,800
				Sep. 1	By Balance B/d		37,500

Dr.				Senthil Account				Cr.			
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.				
2017 Aug. 1	To Sales A/c		20,500	2017 Aug. 15 31	By Return inward A/c By Balance C/d		1,500 19,000				
			20,500				20,500				
Sep. 1	By Balance B/d		19,000								

Dr.				Madhavan Account				Cr.			
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.				
2017 Aug. 4	To Sales A/c		12,800	2017 Aug. 25 31	By Return inward A/c By Balance C/d		1,800 11,000				
			12,800				12,800				
Sep. 1	By Balance B/d		11,000								

Dr.				Kanagasabai Account				Cr.			
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.				
2017 Aug. 7	To Sales A/c		7,500	2017 Aug. 31	By Balance C/d		7,500				
			7,500				7,500				
Sep. 1	By Balance B/d		7,500								

36.

In the books of Mr. Seshadri

Dr.				Cash Book (Single column)				Cr.			
Date	Receipts	L.F.	Amount Rs.	Date	Payments	L.F.	Amount Rs.				
2017 May 1	To Balance b/d		40,000	2017 May 7	By Wages A/c		2,000				
5	To Swathi A/c		4,000	18	By Computer A/c		15,000				
15	To Sales A/c		9,000	22	By Sabapathi A/c		5,000				
30	To Interest A/c		500	28	By Salary A/c		2,500				
				31	By Balance c/d		29,000				
			53,500				53,500				
Jun 1	To Balance	B/d	29,000								

37. Difference between Cash Discount and Trade Discount

Basis	Cash Discount	Trade Discount
1. Purpose	Cash discount is allowed to encourage the buyers of goods to make payment at an early date.	Trade discount is allowed to encourage buyers to buy goods in large quantities.
2. Time of allowance	It is allowed the seller or creditor to the buyer or debtor at the time of making payment.	It is allowed by the seller to the buyer when goods are sold.
3. Deduction from invoice	It is not deducted from the invoice value of goods	It is deducted from the list price of goods.

38. Bank reconciliation statement as on 31st December, 2016

Particulars	Amount Rs.	Amount Rs.
Balance as per cash book		7,130
Add: Customer directly deposited into the bank		800
		7,930
Less: Cheques deposited but not yet Cleared		1,000
Balance as per bank statement		6,930

39. Role of an accountant is:

- 1) **Record keeper:** The accountant maintains a systematic record of financial transactions.
- 2) **Provider of information to the management :** The accountant assists the management by providing financial information required for decision making and for exercising controls.
- 3) **Protector of business assets:** The accountant maintains records of assets owned by the business which enables the management to protect and exercise control over these assets.

40. Principles of double entry accounting system:

Personal Account	Debit the receiver	Credit the giver
Real Account	Debit what comes in	Credit what goes out
Nominal Account	Debit all expenses and losses	Credit all incomes and gains

IV. Answer all the questions

7 x 5 = 35

41. a).

In the books of Jeyaseeli
Journal entries

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
2018 Jan. 1	Cash A/c Dr. To Jeyaseeli's Capital A/c (Jeyaseeli commenced business with cash)		80,000	80,000
3	Bank A/c Dr. To Cash A/c (Deposited cash into bank)		40,000	40,000
6	Purchases A/c Dr. To Cash A/c (Goods purchased by cash)		5,000	5,000
10	Purchases A/c Dr. To Lipton & Co. A/c (Goods purchased on credit)		10,000	10,000
15	Cash A/c Dr. To Sales A/c (Cash sales made)		11,000	11,000

41.b.

Journal entries

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
2016 Jan. 1	Cash A/c Dr. To Capital A/c (Commenced business with cash)		10,000	10,000
5	Bank A/c Dr. To Cash A/c (Cash paid into bank)		5,000	5,000
7	Purchase A/c Dr. To Cash A/c (Purchase goods from Ram for cash)		1,000	1,000

Ledger Accounts
Cash Account

Dr.				Cr.			
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.
2016 Jan. 1	To Capital A/c		10,000	2016 Jan. 5	By Bank A/c		5,000
				7	By Purchase A/c		1,000
				31	By Balance C/d		4,000
			10,000				10,000
Feb.1	To Balance b/d		4,000				

Dr.		Capital Account				Cr.	
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.
2016 Jan 31	To Balance C/d		10,000	2016 Jan. 1	By Cash A/c		10,000
			10,000				10,000
				Feb.1	By Balance b/d		10,000

Dr.		Bank Account				Cr.	
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.
2016 Jan. 5	To Cash A/c		5,000	2016 Jan. 31	By Balance C/d		5,000
			5,000				5,000
Feb.1	To Balance b/d		5,000				

Dr.		Purchase Account				Cr.	
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.
2016 Jan. 7	To Cash A/c		1,000	2016 Jan. 31	By Balance C/d		1,000
			1,000				1,000
Feb.1	To Balance b/d		1,000				

42. a.

Accounting Equation

Transaction	Assets			=	Liabilities	
	Cash Rs.	Stock Rs.	Furniture Rs.		Capital Rs.	Creditors Rs.
i) Started business Equation	80,000	----	----	=	80,000	----
ii) Credit Purchase Equation	----	10,000	----	=	----	10,000
iii) Purchase Furniture Equation	80,000	10,000	----	=	80,000	10,000
iv) Cash Purchase Equation	- 6,000	----	6,000		----	
v) Rent Paid Equation	74,000	10,000	6,000	=	80,000	10,000
	- 2,000	2,000	----		----	----
	72,000	12,000	6,000	=	80,000	10,000
	- 500	----	----		- 500	----
Equation	71,500	12,000	6,000	=	79,500	10,000
Equation			89,500	=		89,500

42.b.

**In the books of Mary
Journal entries**

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
2018 March 2	Electricity Charges A/c To Bank A/c (Electricity charges paid through net banking)	Dr.	500	500
4	Drawings A/c To Purchase A/c (Ricebags taken for personal use)	Dr.	1,000	1,000
5	Advertisement A/c To Cash A/c (Advertisement expenses paid)	Dr.	2,000	2,000
6	Mano A/c To Sales A/c (Goods sold to mano)	Dr.	20,000	20,000
8	Bank A/c To Mano A/c (Payment received from Mano through NEFT)	Dr.	20,000	20,000

43. **a). Opening Entry**

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
2017 April 1	Cash A/c Stock A/c Rohit A/c Furniture A/c To Anush A/c To Capital A/c (Balances of assets and liabilities brought forward)	Dr. Dr. Dr. Dr.	1,00,000 40,000 10,000 10,000	40,000 1,20,000

Ledger Accounts

Dr.

Cash Account

Cr.

Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.
2017 April 1	To Capital A/c		1,00,000	2017 April 30	By Balance C/d		1,00,000
			1,00,000				1,00,000
May 1	To Balance b/d		1,00,000				

Dr.				Stock Account				Cr.			
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.				
2017 April 1	To Capital A/c		40,000	2017 April 30	By Balance C/d		40,000				
			40,000				40,000				
May 1	To Balance b/d		40,000								

Dr.				Rohit Account				Cr.			
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.				
2017 April 1	To Capital A/c		10,000	2017 April 30	By Balance C/d		10,000				
			10,000				10,000				
May 1	To Balance b/d		10,000								

Dr.				Furniture Account				Cr.			
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.				
2017 April 1	To Capital A/c		10,000	2017 April 30	By Balance C/d		10,000				
			10,000				10,000				
May 1	To Balance b/d		10,000								

Dr.				Anush Account				Cr.			
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.				
2017 Jan 31	To Balance C/d		40,000	2016 Jan. 1	By Capital A/c		40,000				
			40,000				40,000				
				Feb.1	By Balance b/d		40,000				

Dr.		Capital Account				Cr.	
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.
2017 Jan 1 31	To Anush A/c To Balance C/d		40,000 1,20,000	2016 Jan. 1	By Cash A/c By Stock A/c By Rohit A/c By Furniture A/c		1,00,000 40,000 10,000 10,000
			1,60,000				1,60,000
				Feb.1	By Balance b/d		1,20,000

43.b.

In the books of Rahim
Triple column cash book

Dr.

Cr.

Date	Receipts	R. N	L. F	Amount Rs.			Date	Payments	V. N	L. F	Amount Rs.		
				Dis. All.	Cash	Bank					Dis. Rec.	Cash	Bank
2017 Feb.1 8 10 14	To Balance b/d To Daniel A/c To Sales A/c To Bank A/c				25,000 9,900 20,000	10,000 40,000	2017 Jan.5 6 13 14 28	By Water Purifier A/c By Purchase A/c By Transport Charges By Cash A/c By Balance c/d				8,000 9,000 5,000 40,900 54,900	20,000 22,000 50,000
Mar.1	To Balance b/d			100	54,900	50,000						40,900	22,000

44. a)

In the books of Babu
Trial balance as on 31st March, 2016

S. No	Name of account	L.F.	Debit balance Rs.	Credit balance Rs.
1	Cash in hand		7,000	--
2	Sundry Debtors		5,400	--
3	Salaries		6,800	--
4	Bad Debts		200	--
5	Opening stock		15,400	--
6	Bills Receivable		7,000	--
7	Creditors		--	11,800
8	Capital		--	25,000
9	Purchases		45,000	--
10	Sales		--	50,000
	Total		86,800	86,800

b) In the books of Shanthi Furniture Mart Purchases book / Purchases journal

Date	Particulars	Invoice No.	L.F.	Amount Rs.	
				Details	Total
March 7	Mohan Furniture Mart, Madurai 20 Chairs @ Rs. 450 each 2 Tables @ Rs. 1,000 each Less: Trade discount @ 10%			9,000	9,900
				2,000	
				11,000	
March 21	Ramesh & Co., Royapettah 2 stools @ Rs. 500 each 10 rolling chairs @ Rs. 200 each Add: Delivery charges and cartage			1,000	3150
				2,000	
				3,000	
March 21	Kamal & Co., Karaikal 10 chairs @ Rs. 750 each 15 steel cabinets @ Rs. 1,500 each Less: Trade discount @ 10% Add: Packing and delivery charges			150	27250
				7,500	
				22,500	
				30,000	
				3,000	
				27,000	
				250	
	Purchases A/c Dr.				40,300

45. a.

In the books of Santhosh
Purchases Book

Date	Particulars	Invoice No.	L.F.	Amount Rs.	
				Details	Total
2017 April 1	Prasad, Kancheepuram 100 Meters Silk @ Rs. 450 meter 75 Meters Velvet @ Rs. 180 meter			45,000	58,500
				13,500	
20	Hari Ram & Sons, Madurai 50 Rolls Kada @ Rs. 730 per Roll 80 Rolls Cotton @ Rs. 650 per Roll			36,500	88,500
				52,000	
	Purchases A/c Dr.				1,47,000

**In the books of Santhosh
Sales Book**

Date	Particulars	Invoice No.	L.F.	Amount Rs.	
				Details	Total
2017 April 10	Rathinam, Chennai 60 Meters Silk @ Rs. 490 meter 50 Meters Velvet @ Rs. 210 meter			29,400 10,500	39,900
18	Nathan & Sons 100 Meters Silk @ Rs. 510 meter			51,000	51,000
	Sales A/c Cr.				90,900

b) In the books of Mr. Anand

Dr. Cash Book with Discount and cash column Cr.

Date	Receipts	L. F.	Amount Rs.	Date	Payments	L.F.	Amount Rs.
2017 Dec. 1	To Balance b/d		19,500	2017 Dec. 15	By Electricity Charges A/c		12,500
4	To Sales A/c		32,000	17	By Computer A/c		16,800
9	To Gopu A/c	200	11,800	25	By Gandhi A/c	300	19,700
28	To Thiruvengadam A/c	100	8,900	30	By Trade Expenses A/c		3,500
				31	By Balance c/d		19,700
			72,200				72,200
2018 Jan. 1	To Balance B/d		23,000				

46. a.

Petty Cash Book – Analysis of payments

Dr.				Cr.									
Receipts	C.B.F.N	Date	Particulars	V.N	Total Payments	Stationary	Conveyance	Wages	Postage	Carriage	Sundries	L.F.	Personal A/c
2,000		2017 July 1	To Cash A/c										
		7	By Stationery		100	100							
		8	By Stationery		50	50							
		10	By Conveyance		200		200						
		15	By Wages		300			300					
		18	By Postal charges		100				100				
		21	By Stationery		450	450							
		23	By Tea Expenses		60						60		
		25	By Speed Post		150				150				
		27	By Refreshment		250						250		
		31	By Carriage		150					150			
					1,810								
		Feb. 28	By Balance c/d		190	600	20	30	250	150	310		
							0	0					
2,000					2,000								
190		2017 Aug. 1	To Balance b/d										
1,810		1	To Cash A/c										

46.b.

Bank reconciliation statement as on 31st December, 2017

Particulars	Amount Rs.	Amount Rs.
Overdraft as per cash book		10,000
Add: Cheques deposited but not yet credited	5,000	
Interest on overdraft debited by bank	1,000	
Amount wrongly debited by bank	300	6,300
		16,300
Less: Cheque issued but not yet presented for payment	1,000	
Payment received from the customer directly by the bank	500	1,500
Overdraft balance as per bank statement		14,800

47. a). Bank Reconciliation Statement

Particulars	Rs.	Rs.
Balance as per Bank Statement		15,000
Add:		
Bank Charges	250	
Interest	500	
Insurance premium on building	300	
Cheque deposited but not yet credited	900	1,950
		16,950
Less:		
Cheque issued but not yet presented	2,500	2,500
Balance as per Cash book		14,450

b) **Solution**

S.No.	Name of account	Debit balance	Credit balance
i	Carriage outwards	Debit	---
ii	Carriage inwards	Debit	---
lii	Sales	---	Credit
lv	Purchases	Debit	---
v	Bad debts	Debit	---
vi	Drawings	Debit	---
vii	Interest received	---	Credit
viii	Discount received	---	Credit
ix	Capital	---	Credit
x	Sales returns	Debit	---

***** All the Best *****