

COMMON HALF YEARLY EXAMINATION - 2022

Standard XI

Reg.No.

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A**ACCOUNTANCY**

Time : 3.00 hrs

Part - I

Marks : 90

20 x 1 = 20

I. Choose the correct answer:

1. The root of financial accounting system is
 - a) social accounting
 - ~~b) stewardship accounting~~
 - c) management accounting
 - d) responsibility accounting
2. GAAPS are
 - a) Generally Accepted Accounting Policies
 - ~~b) Generally Accepted Accounting Principles~~
 - c) Generally Accepted Accounting Provisions
 - d) None of these
3. The rule of stock valuation 'cost price or realisable value' whichever is lower is based on the accounting principle of
 - a) materiality
 - b) money measurement
 - ~~c) conservatism~~
 - d) accrual
4. The incorrect accounting equation is
 - a) assets = liabilities + capital
 - b) assets = capital + liabilities
 - ~~c) liabilities = assets + capital~~
 - d) capital = assets - liabilities
5. In double entry system of book keeping, every business transaction affects
 - ~~a) minimum of two accounts~~
 - b) same account on the two different dates
 - c) two sides of the same account
6. If the total of the debit side of an account exceeds the total of its credit side, it means
 - a) credit balance
 - ~~b) debit balance~~
 - c) nil balance
 - d) debit and credit balance
7. After the preparation of ledger, the next step is the preparation of
 - a) trading account
 - ~~b) trial balance~~
 - c) journal
 - d) profit and loss account
8. Trial balance is prepared
 - a) at the end of the year
 - ~~b) on a particular date~~
 - c) for a year
 - d) none of the above
9. Purchases of fixed assets on credit basis is recorded in
 - a) purchases book
 - b) sales book
 - c) purchase return book
 - ~~d) journal proper~~
10. The cash book records
 - a) all cash receipts
 - b) all cash payments
 - ~~c) both (a) and (b)~~
 - d) all credit transactions
11. In Triple Column cash book, the balance of book overdraft brought forward will appear in
 - a) cash column debit side
 - b) cash column credit side
 - c) bank column debit side
 - ~~d) bank column credit side~~

XI Accountancy

(2)

12. A bank statement is a copy of
 a) cash column of the cash book b) bank column of the cash book
 c) a customer's account in the bank's book
 d) cheques issued by the business
13. A transaction not recorded at all is known as an error of
 a) principle b) complete omission c) partial omission d) duplication
14. Which of the following errors will not affect the trial balance?
 a) wrong balancing of an account
 b) posting an amount in the wrong account but on the correct side
 c) wrong totalling of an account
 d) carried forward wrong amount in a ledger account
15. Under the written down value method of depreciation, the amount of depreciation is
 a) uniform in all the years b) decreasing every year
 c) increasing every year d) none of the above
16. Pre-operative expenses are
 a) revenue expenditure b) prepaid revenue expenditure
 c) deferred revenue expenditure d) capital expenditure
17. Net profit of the business increase the
 a) drawings b) receivables c) debts d) capital
18. Current assets does not include
 a) cash b) stock c) furniture d) prepaid expenses
19. Closing stock is valued at
 a) cost price b) market price
 c) cost price or market price whichever is higher
 d) cost price or net realisable value whichever is lower
20. Customised accounting software is suitable for
 a) small, conventional business b) large, medium business
 c) large, typical business d) none of the above

Part - II

7 x 2 = 14

II. Answer any 7 questions: (Q.No.30 is compulsory)

21. List any two functions of accounting.
 22. Define : Book-keeping
 23. Complete the accounting equation

$$\text{Assets ()} = \text{Capital ()} + \text{liabilities ()}$$

- a) 1,00,000 = 80,000 + ? 20,000
 b) 24,000 = 1,60,000 + 80,000

24. What is credit balance?

XI Accountancy

(3)

25. From the following particulars, prepare a bank reconciliation statement of Jaya Kumar as 31st December, 2016.

- a) Balance as per cash book ₹ 7,130
 b) Cheque deposited but not cleared ₹ 1,000
 c) A customer has deposited ₹ 800 into the bank directly.

7130
 800
 7930
 1000
 6930

26. What is meant by error of partial omission?
 27. An asset is purchased for ₹ 50,000. The rate of depreciation is 15% p.a. Calculate the annual depreciation for the first two years under diminishing balance method.
 28. Prepare trading account in the books of Mr. Sanjay for the year ended 31st December 2009.

Particulars		Particulars	
Opening stock	570	Purchases	15,800
Sales	26,200	Purchases returns	90
Sales returns	60	Closing stock	860

29. What is meant by Software?
 30. The value of closing stock shown as adjustment on 31st March, 2016 is ₹ 10,000, give the adjusting entry.

Part - III

7 x 3 = 21

III. Answer any 7 questions: (Q.No.40 is compulsory)

31. Why are the following parties interested in accounting information?
 a) Investors b) Government
 32. "Only monetary, transactions are recorded in accounting" - Explain the statement.
 33. Give the golden rules of double-entry accounting system.
 34. Prepare necessary ledger accounts in the books of Mr. Rose from the following opening entry.

Date	Particulars	L.F.	Debit	Credit
2017 Jan 1	Cash A/c Dr. Stock A/c Dr. To Rose's Capital A/c (Balances brought forward)		45,000 55,000	1,00,000

35. Enter the following transactions in the purchases book of M/s. Subhashree Electric Co., which deals in electric goods.

2017

April 5

Purchased from Karthik Electric Co. on credit
 10 Electric iron box @ ₹ 2,500 each
 5 Electric stoves @ ₹ 2,000 each

April 19

Purchased on credit from Khaitan Electric Co.
 3 Electric heaters @ ₹ 6,000 each

Purchase A/c Dr ₹ 73,000

(4)

XI Accountancy

- April 25 Purchased from Polar Electric Co., on credit
10 Fans @ 2,000 each
- April 29 Purchased from M & Co. for cash
10 Electric stoves @ 3,000 each

36. Prepare analytical petty cash book from the following particulars under imprest system.

2019 July	1	Received advance from cashier	2,000
	7	Paid for writing pads and registers	100
	15	Paid wages	300
	18	Postal charges	100
	23	Tea expenses	60
	25	Paid for Speed Post	150

37. Classify the following items into capital and revenue.

i) 50,000 spent for railway siding.

ii) Loss on sale of old furniture *revenue*

iii) Carriage paid on goods sold. *revenue*

38. State the input and output devices of a computer system.

39. The trial balance of a trader on 31st December, 2016 shows sundry debtors as 50,000.

Adjustment:

a) Write off 1,000 as bad debts. *Dr 1,000*

b) Provide 5% for doubtful debts. *2450*

c) Provide 2% for discount on debtors. *931*

Show how these items will appear in the profit and loss A/c and balance sheet of the trader. *4381*

40. The following are the extracts from the trial balance.

Particulars	Debit	Credit
Sundry creditors	---	30,000
Discount received	---	1,000

You are required to show how these items will appear in the profit and loss account and balance sheet.

Part - IV

IV. Answer all the questions:

7 x 5 = 35

41. a) Prepare accounting equation for the following transactions.

i) Murugan commenced business with cash 80,000 *+80,000*

ii) Purchased goods for cash 30,000

iii) Paid salaries by cash 5,000

iv) Bought goods from Kumar for 5,000 and deposited the money in CDM

v) Introduced additional capital of 10,000 (OR)

XI Accountancy

(5)

b) Show the direct ledger postings for the following transactions:

2019 June	1	Raja commenced business with cash	50,000
	6	Sold goods for cash	8,000
	8	Sold goods to Devi on credit	9,000
	15	Goods purchased for cash	4,000
	20	Goods purchased from Shanthi on credit	5,000

42. a) Pass Journal Entries in the books of Brinda who is a dealer in sports materials.

2020 April	1	Commenced business with cash	50,000
	5	Purchased goods from Subhash on credit	20,000
	7	Sold goods to Ramu on credit	15,000
	12	Paid Subhash 19,500 and discount received	500
	15	Paid by cash for wages	500
		Electricity charges	3,000
		Trade expenses	1,000

(OR)

b) From the following information, prepare the necessary subsidiary books for Nalanda Book Stores.

2019

Dec. 1	Bought from M/s. Umadevi on credit	22,000/-
	100 copies Business Statistics book @ 80 each	
	100 copies Accountancy book @ 150 each	
Dec. 7	Sold to Sridevi & Co, on credit	
	240 copies Business Statistics @ 90 each	
	250 copies Accountancy book @ 170 each	
Dec. 10	Bought from Subah & Co.	
	40 copies Economics books @ 80 each	
	Less : 15% Trade discount	
Dec. 18	Sold to Gupta Bros, on credit	
	200 copies of Economics book @ 95 each	

Purchase = 22,000 + 15,000 = 37,000

Sales = 24,000 + 25,000 = 49,000

3200 - 480 = 2720

43. a) Prepare the trial balance from the following balances of Babu as on 31st March, 2016

Cash in hand	7,000	Bills receivable	7,000
Sundry debtors	5,400	Sundry creditors	11,800
Salaries	6,800	Capital	25,000
Bad debts	200	Purchases	45,000
Opening stock	15,400	Sales	50,000

(OR)

86,800

(6)

XI Accountancy

- b) From the following information, prepare bank reconciliation statement to find out the bank statement balance as on 31st December 2020.

Particulars

1. Balance as per cash book	15,000
2. Cheque deposited but not yet credited	1,000
3. Cheques issued and entered in the cash book before 31 st December 2020 but not presented for payment until that date	(-) 1500
4. Divident directly received by bank	(+) 200
5. Direct payment made by bank for rent	-1,000
6. Locker rent charged by the bank not recorded in cash book	1,200

44. a) Bring out the differences between Cash discount and Trade discount.

(OR)

- b) Enter the following transactions in the three column cash book of Sundaram.

2020 Jan	1	Balance in hand	42,500
		Balance at Bank	35,000
	3	Received for cash sales	15,700
	4	Cash paid into Bank	11,500
	19	Received dividend directly by bank through ECS	2,000
	21	Paid Mahesh in full settlement of his accounts	20,000
			19,700

45. a) Pass journal entries to rectify the following errors located after the preparation of the trial balance. Assume that there exists a suspense account.

- The total of sales book was undercast by ₹ 2,000
- The purchase of machinery for ₹ 3,000 was entered in the purchase book.
- A Credit sale of goods for ₹ 45 to Mathi was posted in his account as ₹ 54.
- The purchases returns book was overcast by ₹ 200
- The total of sales book ₹ 1,122 were wrongly posted in the ledger as ₹ 1,222

(OR)

- b) A manufacturing company purchased on 1 April, 2010, a plant and machinery for ₹ 4,50,000 and spent ₹ 50,000 on its installation. After having used it for three years, it was sold for ₹ 3,85,000. Depreciation is to be provided every year at the rate of 15% per annum on the fixed instalment method. Accounts are closed on 31st March every year. Calculate profit or loss on sale of machinery.

(7)

XI Accountancy

46. a) Prepare trading and profit and loss account. In the books of Rama Sundari for the year ended 31st December, 2017 and balance sheet as on that date from the following information.

Particulars		Particulars	
Opening stock	2,500	Sales	7,000
Wages	2,700	Purchases	3,300
Closing stock	4,000	Salary	2,600
Discount received	2,500	Capital	52,000
Machinery	52,000	Cash at bank	6,400
Creditors	8,000		

(OR)

- b) Prepare trading account from the following ledger balances presented by P.Sen as on 31st March 2016.

Particulars		Particulars	
Stock (1.4.2015)	10,000	Sales	3,00,000
Purchases	1,60,000	Returns in ward	16,000
Wages	30,000	Returns out ward	10,000
Carriage inwards	10,000	Gas and Fuel	8,000
Freight inwards	8,000		

Additional information :

- a) Stock on 31st March, 2016 `20,000
 b) Outstanding wages amounted to `4,000
 c) Gas and fuel was paid in advance for `1,000
47. a) Explain the role of an accountant in the modern business world. (OR)
 b) Classify the following expenditures and receipts as capital or revenue.
- `10,000 spent as travelling expense of the director on trip abroad for the purchase of fixed assets. *Capital exp.*
 - Amount received from trade receivables during the year.
 - Amount spent on demolition of building to construct a new building on the same site. *Revenue Exp.*
 - Insurance claim received on account of a machinery damaged by fire. *Capital*
 - Overhauling expenses of `25,000 for the engine of a motor car to get better fuel efficiency. *Capital exp.*

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