

B

COMMON HALF YEARLY EXAMINATION - 2023

Standard XI

Reg.No.

ACCOUNTANCY

Time : 3.00 hrs

Part - I

Marks : 90

20 x 1 = 20

I. Choose the correct answer:

- The root of financial accounting system is
 - social accounting
 - management accounting
 - stewardship accounting
 - responsibility accounting
- The rule of stock valuation cost price or realisable value whichever is lower is based on the accounting principle of
 - materiality
 - conservation
 - money measurement
 - accrual
- In double entry system of book keeping, every business transaction affects,
 - minimum of two accounts
 - same account on two different dates
 - two side of the same account
 - minimum three accounts
- Transactions are recorded on the books of account with the help of
 - journal
 - sources of document
 - trial balance
 - ledger
- The process of transferring the debit and credit items from journal to ledger account is called
 - casting
 - posting
 - journalising
 - balancing
- Which one of the following is not the main objective of accounting?
 - ascertainment of the financial position of the business
 - systematic recording of transaction
 - solving tax disputes with the tax authorities
 - ascertainment of the profitability of the business
- Customised accounting software is suitable for
 - large, medium business
 - large, typical business
 - small, conventional business
 - none of the above
- Trial balance is prepared
 - on a particular date
 - for a year
 - at the end of the year
 - none of the above
- Expenditure incurred ₹20,000 for trial run of newly installed machinery will be
 - capital expenditure
 - revenue expenditure
 - preliminary expense
 - deferred revenue expenditure
- If the debit and credit aspects of a transaction are recorded in the cash book it is
 - compound entry
 - single entry
 - contra entry
 - simple entry

2

XI Accountancy

- GAAPs are
 - Generally Accepted Accounting Policies
 - Generally Accepted Accounting Principles
 - Generally Accepted Accounting Provisions
 - None of these
- If the total of the debit side of an account exceeds the total of its credit side, it means
 - credit balance
 - debit balance
 - nil balance
 - debit and credit balance
- The trial balance contains the balance of
 - only personal account
 - only real account
 - only nominal account
 - all accounts
- Purchase book is used to record
 - all purchases of goods
 - all credit purchases of assets
 - all credit purchase of goods
 - all purchase of assets
- A bank reconciliation statement is prepared with the help of
 - bank statement
 - cash book
 - bank statement and bank column of the cash book
 - petty cash book
- The difference in trial balance is taken to
 - the capital account
 - the trading account
 - the suspense account
 - the profit & loss A/c
- A depreciable asset may suffer obsolescence due to _____.
 - passage of time
 - wear and tear
 - technological changes
 - none of the above
- Balance sheet is _____.
 - an account
 - a statement
 - neither a statement nor an account
 - none of the above
- Bank overdraft should be shown
 - in the trading account
 - profit & loss A/c
 - on the liability side
 - on the asset side
- A prepayment of insurance premium will appear in
 - the trading account on the debit side
 - the profit and loss account on the credit side
 - the balance sheet on the assets side
 - the balance sheet on the liabilities side

3

XI Accountancy

Part - II

7x2=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.

a)	Assets	=	Capital	+	Liabilities
	10,000	=	8,000	+	2,000?
b)	Assets	=	Capital	+	Liabilities
	20,000	=	16,000?	+	4,000

24. What is meant by posting?

25. What is CAS?

26. Rectify the following errors: $\frac{3}{198}$

- a) Sales book was undercasting by ₹400 cr
 b) Sales returns book was overcast by ₹500 Dr
 c) Purchase book was undercast by ₹600 Dr
 d) Purchase returns book was overcast by ₹700 Dr
27. A firm purchased a plant for ₹40,000. Erection charges amounted to ₹2000. Effective life of the plant is 5 years. Calculate the amount of depreciation per year under straight line method. $\frac{1}{224}$ ₹ 8400
28. State whether the following expenditure is capital or revenue
 i) Construction of buildings ₹5,00,000 Capital
 ii) Repairs to furniture ₹25,000 Revenue
29. Prepare Trading Account in the books of Raju for the year ended 31st December 2023.

Particulars	₹
Opening stock	570
Sales	26,200
Sales return	60
Purchases	15,800
Purchase return	90
Closing stock	860

30. Fill in the missing information in the following journal entries.

Date	Particulars	LF	Debit	Credit
2023 April	<u>Cash</u> Dr To Ravi's capital A/c (Ravi started business with cash)		15,000	15,000
April 10	<u>Bank</u> Dr To cash A/c (Cash deposited into bank)		5,000	5,000

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. State whether the balance of the following accounts should be placed in the debtor credit column of the trial balance.
 - i) sales *Dr*
 - ii) purchase *Dr*
 - iii) capital *Cr*
 - iv) drawing *Dr*
 - v) sales return *Dr*
 - vi) purchase return *Cr*
35. Record the following transactions in the sales book of M/s. Mohan & Co.

2017

 - Aug 1 Sold goods to Senthil as per invoice no.68 for Rs.23,000 on credit
 - Aug 4 Sold goods to Mani as per invoice no.74 for Rs.10,500 on credit
 - Aug 8 Sold goods to Suresh for cash Rs.6,500
 - Aug 25 Sold goods to Kamala on credit
 - 10 tables @ Rs.1,500 each
 - 20 chairs @ Rs.200 each
36. 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.
37. From the following particulars, prepare a bank reconciliation statement of Kumar as on 31st December 2023.
 - 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
38. Classify the following into personal, real and nominal account.
 - i) Capital *Per*
 - ii) Building *Real*
 - iii) Carriage inwards *Nominal*
 - iv) Cash *Real*
 - v) Commission received *Nominal*
 - vi) Bank *Personal*
39. Write short notes on :
 - i) Hardware
 - ii) Software
40. A furniture business unit sells some part of its unused land and received the amount
 - i) Can it be considered as normal sale?
 - ii) State whether the transaction is of capital or revenue nature and explain.

Part - IV

7 x 5 = 35

IV. Answer all the questions.

41. a) Journalise the following transactions.

2019

January

 - 1 Rishi commenced business with cash ₹50,000
 - 2 Bought goods for cash ₹4,000
 - 3 Purchased goods from Ravi for ₹10,000 on credit

- 4 Cash paid to Ravi ₹7,000
- 5 Withdrew cash for personal use ₹6,000
- 6 Cash deposited into Bank ₹2,000
- 7 Paid salary by cheque ₹3,000
- 8 Sold goods to Madhu on credit ₹9,000
- 9 Borrowed loan from Bank ₹10,000
- 10 Received commission of ₹1,000 by cash

(OR)

- b) For the following transactions, show that the effect on accounting equation.
 - i) Raja started business with cash ₹40,000
 - ii) Opened bank account with a deposit of ₹30,000
 - iii) Bought goods from Hari on credit for ₹12,000
 - iv) Sold goods worth ₹5,500 to Murugan and cash received ₹6,500
 - v) Paid electricity charges through net banking ₹500

42. a) Prepare Anand's account from the following details.

2017

July 1	Credit balance of Anand A/c	4,000
15	Amount paid to Anand	2,000
18	Goods purchased from Anand on credit	8,000
20	Paid to Anand	3,960
	Discount allowed by him	40
25	Goods purchased from Anand	5,000

(OR)

- b) Distinguish between journal and ledger.
43. a) From the following balance extracted from the books of Raju trader on automobiles, prepare trial balance as on 31st March 2017.

Particulars	₹	Particulars	₹
Cash in hand	5,500	Direct expenses	5,000
Discount received	300	Carriage outwards	3,500
Creditors	15,000	Capital	45,000
Buildings	50,000	Purchase	49,700
Opening stock	6,000	Sales	59,400

(OR)

- b) Prepare bank reconciliation statement from the following data and find the balance as per cash book as on 31st March 2018.
- | | |
|---|--------|
| Bank balance as per bank statement | 15,000 |
| Cheque issued but not yet presented for payment | 2,500 |
| Bank charges not recorded in cash book | 250 |

6
174
Balane as per cash book
6214.400 XI Accountancy

- Interest charged by bank not recorded in cash book 500
- Bank paid insurance premium not recorded in cash book 300
- Cheque deposited but not yet credited 900

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

- 2017
- Dec. 1 Bought from M/s Umadevi on credit *6/124* *Donk - 25720*
100 copies Business Statistics books @ Rs.80 each
100 copies Accountancy book @ Rs.150 each *Salasite - 83100*
 - Dec. 7 Sold to Sridevi & Co on credit 240 copies *Don. red = 1908*
Business Statistics @ Rs.90 each 250 copies
Business Statistics Accountancy book @ Rs.170 each
 - Dec. 10 Bought from Subha & Co
40 copies Economics books @ Rs.80 each
Less : 15% Trade discount
 - Dec. 15 Returned to M/s. Umadevi 10 copies of damaged Accountancy books for which cash is not received
 - Dec. 18 Sold to Gupta Bros., on credit
200 copies of Economics books @ Rs.95 each
 - Dec. 26 Returned 6 copies of Economics books to Subha & Co.

(OR)

b) Enter the following transactions in a simple cash book of Kunal.

2018

April.1	Cash in hand	11,200	<i>ilka 1</i>
5	Received from Ramesh	3,000	<i>129</i>
7	Paid wages	300	
8	Sold goods for cash	8,000	<i>10,770</i>
10	Paid Mohan	700	
27	Purchase furniture for cash	2,000	
30	Received dividend	1,200	
31	Paid salaries	2,500	

45. a) What are the causes for depreciation?
(OR)

- b) Identify the following items into capital or revenue. *238*
- i) Audit fees paid ₹10,000 *Revenue*
 - ii) Labour Welfare Expenses ₹5,000 *Revenue*
 - iii) ₹2,000 paid for servicing the company vehicle *Revenue*
 - iv) Repair to furniture purchased second hand ₹3,000 *Capital*
 - v) Rent paid for the factory ₹12,000 *Revenue*

7 XI Accountancy

46. a) From the following balances obtained from the books of Mr. Ganesh, prepare Trading and Profit & Loss A/c.

Stock on 1.1.2017	8,000	Bad debts	1,200
Purchase	22,000	Trade expenses	1,200
Sales	42,000	Discount allowed	600
Expenses on purchase	2,500	Commission allowed	1,100
Financial charge	3,500	Selling expenses	600
Expenses on sale	1,000	Repairs on office vehicle	600
Closing stock on December 31.12.2017 - Rs. 4,500			

(OR)

b) Mention any five limitation of computerised accounting system.

47. a) From the following information, prepare Trading and P & L A/c and Balance sheet of Mr. Kumar for the year ending 31st December 2017.

Debit balance	₹	Credit balance	₹
Purchases	14,500	Sales	20,500
Carriage inwards	750	Rent received	2,500
Advertisement	500	Creditors	2,000
Carriage outwards	400	Capital	5,000
Bank	1,500		
Furniture	8,000		
Debtors	2,850		
Stock as on 1.1.2017	1,500		
	30,000		30,000

- Adjustments :
- i) Closing stock was valued at ₹3,900
 - ii) Carriage inwards prepaid ₹250
 - iii) Rent received in advance ₹100

(OR)

b) Sudha manufacturing company purchased on 1 April 2010, a plant 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 10% per annum on straight line method. Accounts are closed on 31st March every year. Show machinery account.

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