

HALF YEARLY EXAMINATION - ANSWER KEY – DECEMBER 2024**XI STANDARD – ACCOUNTANCY – ENGLISH MEDIUM****DR.A.VENNILA****PRINCIPAL**MYDEEN MATRIC. HR.SEC. SCHOOL
MELACAUVEY – KUMBAKONAM.

CELL NO.: 8220179521

8608481579

Time Allowed : 3 Hours

Maximum Marks : 90

I. Choose the most suitable from the given four alternatives and write the option code and the corresponding answer

20 x 1 = 20

1	B	Stewardship Accounting	11	D	Bank column credit side
2	C	Conservatism	12	A	Credit balance as per bank statement
3	D	Assets of a business are equal to the total of capital and liabilities	13	B	Rs.3,000 Favourable
4	A	Minimum of two accounts	14	B	Principle
5	B	Debit Balance	15	B	Posting an amount in the wrong account but on the correct side
6	C	Trial Balance	16	B	Diminishing Balance Method
7	B	Credited to Suspense Account	17	B	Revaluation Method
8	A	Returns of goods to the supplier for which cash is not received immediately	18	D	Capital Receipt
9	C	Invoice	19	D	An intangible asset
10	A	The expenses relating to postage and conveyance	20	C	The balance sheet on the assets side

II. Answer any seven questions. Question No.30 is compulsory.

7 x 2 = 14**21) Parties interested in accounting information**

1. **Internal users:** Owners, Management and Employees.
2. **External users:** Creditors, Investors, Customers, Tax authorities, Government, Researchers and General Public.

22) “Full Disclosure Principle” of accounting:

- It implies that the accounts must be prepared honestly and all material information should be disclosed in the accounting statement.
- This is important because the management is different from the owners in most of the organizations.

23) Classification of Accounts

- | | | |
|----------------------|---|---------------------------------|
| a) Capital | – | Personal Account |
| b) Purchases | – | Nominal Account |
| c) Carriage Inwards | – | Nominal Account |
| d) Outstanding Wages | – | Representative Personal Account |

24) Trial Balance is prepared in the following methods:

- 1) Balance method
- 2) Total method
- 3) Total and Balance method

25) Wasting Assets – Meaning:

- ❖ These are the assets which get exhausted gradually in the process of excavation.
- ❖ Examples: Mines and Quarry.

26) Examples of Contra Entry

- 1) Cash is paid into bank (or) Cash Deposited into Bank.
- 2) Cash is drawn from bank for office use.

27) Error Rectification:

- (a) Sales book should be credited with Rs.100
- (b) Purchases book should be credited with Rs.400
- (c) Purchase Returns book should be debited with Rs.600
- (d) Sales Return book should be debited with Rs.700

28) Fill in the missing information in the following journal entries:

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
	<u>Purchase A/c</u> Dr. <u>To Cash A/c</u> (Goods purchased for cash Rs. 20,000)		20,000	20,000
	Cash A/c Dr. <u>Discount A/c</u> Dr. To Niha A/c (Received Rs. 18,800 from in full settlement of the due Rs. 19,000)		<u>18,800</u> <u>200</u>	<u>19,000</u>

29) **Amount of depreciation per year** = $\frac{\text{Original Cost of the Asset} - \text{Estimated Scrap Value}}{\text{Estimated useful life of the asset in years}}$

$$= \frac{50,000 - 5,000}{10} = \frac{45,000}{10} = \text{Rs. 4,500 per year}$$

Rate of depreciation = $\frac{\text{Amount of depreciation per year}}{\text{Original Cost of the Asset}} \times 100$

$$= \frac{4,500}{50,000} \times 100 = 9\%$$

30) Calculation of Cost of Goods Sold:

$$\begin{aligned} \text{Cost of goods sold} &= \text{Opening stock} + \text{Net purchases} + \text{Direct expenses} - \text{Closing stock} \\ &= 8,000 + 60,000 + 5,000 - 9,000 \\ &= \text{Rs. 64,000} \end{aligned}$$

PART - III**III. Answer any seven questions. Question No.40 is compulsory.****7 x 3 = 21****31) 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

32) Causes of Depreciation:**(i) Wear and tear**

- * The normal use of a tangible asset results in physical deterioration which is called wear and tear.
- * When there is wear and tear, the value of the asset decreases proportionately.

(ii) Efflux of time

- * Certain assets whether used or not become potentially less useful with the passage of time.

(iii) Inadequacy for the purpose

- * Sometimes, the use of assets may be stopped due to their inadequacy for the purpose.
- * These may become inadequate due to expansion in the capacity of a firm.

33) The main reasons for preparing bank reconciliation statement are: (Any 3)

- 1) To identify the reasons for the difference between the bank balance as per the cash book and bank balance as per bank statement.
- 2) To identify the delay in the clearance of cheques.
- 3) To ascertain the correct balance of bank column of cash book.
- 4) To discourage the accountants of the business as well as bank from misusing funds.

34)**Journal entries**

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
2016 June 1	Cash A/c To Capital A/c (Commenced business with cash)	Dr.	1,10,000	1,10,000
10	Cash A/c To Additional Capital A/c (Additional Capital introduced)	Dr.	50,000	50,000
28	Drawings A/c To Cash A/c (Withdraw for personal use)	Dr.	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	To Capital A/c		1,10,000	2016 June 28	By Drawings A/c		20,000
10	To Capital A/c		50,000	30	By Balance C/d		1,40,000
			1,60,000				1,60,000
July 1	To Balance b/d		1,40,000				

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
8	<u>Shivam</u>				7,500
	20 Chairs @ Rs.450 each			9000	
	2 Tables @ Rs.1,000 each			2,000	11,000
	Sales A/c	Cr.			51,800

Ledger Accounts

Dr.				Sales Account		Cr.	
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.
2017 Aug. 31	To Balance C/d		51,800	2017 Aug. 31	By Sundry Debtors A/c		51,800
			51,800				51,800
				Sep. 1	By Balance B/d		51,800

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. 31	By Balance C/d		20,500
			20,500				20,500
Sep. 1	To Balance B/d		20,500				

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. 31	By Balance C/d		12,800				
			12,800				12,800				
Sep. 1	To Balance B/d		11,000								

Dr.				Shivam Account				Cr.			
Date	Particulars	J.F.	Amount Rs.	Date	Particulars	J.F.	Amount Rs.				
2017 Aug. 8	To Sales A/c		11,000	2017 Aug. 31	By Balance C/d		11,000				
			11,000				11,000				
Sep. 1	To Balance B/d		11,000								

36)

**In the books of Kunal
Cash Book (Single column)**

Dr.				Cr.			
Date	Receipts	L.F.	Amount Rs.	Date	Payments	L.F.	Amount Rs.
2017 Jan. 1	To Balance b/d		11,200	2017 Jan. 7	By Rent A/c		30
5	To Ramesh A/c		300	10	By Mohan A/c		700
8	To Sales A/c		300	27	By Furniture A/c		200
				31	By Salaries A/c		100
				31	By Balance c/d		10,770
			11,800				11,800
Feb. 1	To Balance B/d		10,770				

37)

Calculation of profit or loss on sale of machinery

Particulars	Rs.
Cost price	75,000
Less: Depreciation for 2016-17 (75,000 x 10%)	7,500
	67,500
Less: Depreciation for 2017-18 (75,000 x 10%)	7,500
Book value on the date of sale	60,000
Less: Selling price	62,000
Profit on sale	- 2,000

38) Debit or Credit Column of Trial Balance

S.No.	Name of account	Debit Balance	Credit Balance
i.	Carriage Outwards	Debit	---
ii.	Drawings	Debit	---
iii.	Discount Received	---	Credit
iv.	Interest Paid	Debit	---
v.	Purchase Return	---	Credit
vi.	Capital	---	Credit

39)**Adjusting entry**

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
2017 Dec. 31	Salaries A/c To Outstanding salaries A/c (Salaries outstanding provided)	Dr.	1,200	1,200
Dec. 31	Prepaid insurance premium A/c To Insurance premium A/c (Insurance prepaid)	Dr.	450	450
Dec. 31	Bad debts A/c To Sundry debtors A/c (Bad debts written off)	Dr.	200	200

40)**In the books of Mr.Sanjay****Dr. Trading account for the year ended 31st December, 2017 Cr.**

Particulars	Rs.	Rs.	Particulars	Rs.	Rs.
To Opening stock		570	By Sales	26,200	
To Purchases	15,800		Less: Sales returns	60	26,140
Less: Purchases returns	90	15,710	By Closing stock		860
To Gross profit c/d		10,720			
		27,000			27,000

PART - IV**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 To Jeyaseeli's Capital A/c (Jeyaseeli commenced business with cash)	Dr.	80,000	80,000
2	Bank A/c To Cash A/c (Deposited cash into bank)	Dr.	40,000	40,000
3	Purchases A/c To Cash A/c (Goods purchased by cash)	Dr.	5,000	5,000
4	Purchases A/c To Lipton & Co. A/c (Goods purchased on credit)	Dr.	10,000	10,000
5	Cash A/c To Sales A/c (Cash sales made)	Dr.	11,000	11,000
6	Salaries A/c To Cash A/c (Salaries paid)	Dr.	5,000	5,000
7	Lipton & Co. A/c To Bank A/c (Payment made by cheque)	Dr.	10,000	10,000
8	Furniture A/c To Cash A/c (Furniture bought for cash)	Dr.	4,000	4,000
9	Electricity charges A/c To Cash A/c (Electricity charges paid)	Dr.	1,000	1,000
10	Insurance premium A/c To Bank A/c (Insurance premium paid)	Dr.	300	300

[OR]

41.b.**In the Books of Gunasekaran****Dr.****Three-Column Cash Book****Cr.**

Date	Particulars	R N	L F	Dis. All.	Cash	Bank	Date	Particulars	V N	L F	Dis. Rec.	Cash	Bank
2017 Jan. 1	To Balance b/d				50,000	90,000	2017 Jan. 6	By Bank A/c		C		18,000	
5	To Rohini A/c			500		14,500	10	By Cash A/c		C			2,000
6	To Cash A/c		C			18,000	12	By Purchase A/c			200		9,800
7	To Sales A/c			200		11,800	27	By Rohini A/c					14,500
10	To Bank A/c		C		2,000		31	By Balance C/d				34,000	1,26,000
14	To Nathiya A/c					18,000							
				700	52,000	1,52,300					200	52,000	1,52,300
Feb. 1	To Balance b/d				34,000	1,26,000							

42.a.**Trial Balance in the books of Babu as on 31st March, 2016**

Sl. No	Particulars	L.F.	Debit Rs.	Credit 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.	Sundry Creditors		----	11,800
8.	Capital		----	25,000
9.	Purchases		45,000	----
10.	Sales		----	50,000
	Total		86,800	86,800

[OR]

42.b.**Accounting Equation**

Transaction	Assets		=	Liabilities
	Cash Rs.	Stock Rs.	=	Capital Rs.
(i) Started business with cash	+80,000	--	=	+80,000
Equation	+80,000	--	=	+80,000
(ii) Cash Purchases	-30,000	30,000		--
Equation	+50,000	30,000	=	+80,000
(iii) Salaries paid	-5,000	--		-5,000
Equation	+45,000	30,000	=	+75,000
(iv) Cash Purchases	-5,000	+ 5,000		--
Equation	40,000	35,000	=	75,000
(v) Additional Capital Introduced	+ 10,000	--		+ 10,000
Equation	50,000	35,000	=	85,000

43.a.**In the books of Santhosh Textile Ltd.,
Purchase Book**

Date	Particulars	I.N	L.F.	Amount	
				Details Rs.	Total Rs.
	<u>Prasad, Kanceepuram</u> 100 Meters Silk Sarees @ Rs.450 75 Meters Velvet @ Rs.180			45,000 13,500	58,500
	<u>Hari Ram, Madurai</u> 50 Rolls Kada Cloth @ Rs.730 80 Rolls Cotton Cloth @ Rs.650			36,500 52,000	88,500
	Purchase A/c Dr.				1,47,000

Sales Book

Date	Particulars	I.N	L.F.	Amount	
				Details Rs.	Total Rs.
	<u>Rathinam, Chennai</u> 60 Meters Silk @ Rs.490 50 Meters Velvet @ Rs.210			29,400 10,500	39,900
	<u>Nathan & Sons</u> 100 Meters Silk Sarees @ Rs.510				51,000
	Sales A/c Cr.				90,900

[OR]**43.b.****Ledger Accounts****Dr. Cash Account Cr.**

Date	Particulars	J.F.	Rs.	Date	Particulars	J.F.	Rs.
2017				2017			
June 1	To Capital A/c		50,000	June 15	By Purchase A/c		4,000
6	To Sales A/c		8,000	30	By Balance C/d		54,000
			58,000				58,000
July 1	To Balance B/d		54,000				

Dr. Capital Account Cr.

Date	Particulars	J.F.	Rs.	Date	Particulars	J.F.	Rs.
2017				2017			
June 30	To Balance C/d		50,000	June 1	By Cash A/c		50,000
			50,000	July 1	By Balance B/d		50,000
							50,000

Dr. Sales Account Cr.

Date	Particulars	J.F.	Rs.	Date	Particulars	J.F.	Rs.
2017				2017			
June 30	To Balance C/d		17,000	June 6	By Cash A/c		8,000
			17,000	8	By Devi A/c		9,000
				July 1	By Balance B/d		17,000

Dr. Devi Account Cr.

Date	Particulars	J.F.	Rs.	Date	Particulars	J.F.	Rs.
2017				2017			
June 8	To Sales A/c		9,000	June 30	By Balance C/d		9,000
			9,000				9,000
July 1	To Balance B/d		9,000				

Dr. Purchase Account Cr.

Date	Particulars	J.F.	Rs.	Date	Particulars	J.F.	Rs.
2017				2017			
June 8	To Cash A/c		4,000	June 30	By Balance C/d		9,000
20	To Shanthy A/c		5,000				9,000
			9,000				
July 1	To Balance B/d		9,000				

Dr.				Shanthi Account				Cr.	
Date	Particulars	J. F.	Rs.	Date	Particulars	J.F.	Rs.		
2017 June 30	To Balance C/d		5,000	2017 June 20	By Purchase A/c		5,000		
			5,000				5,000		
				July 1	By Balance C/d		5,000		

44.a.

Bank reconciliation statement as on 31st December, 2017

Particulars	Amount	Amount
	Rs.	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: Cheques 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

[OR]**44.b. Dr.**

Cash Book with Discount and cash column

Cr.

Date	Receipts	L. F.	Dis.	Amount Rs.	Date	Payments	L.F.	Dis.	Amount Rs.
2017 Jan. 1	To Balance b/d			19,500	2017 Jan. 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
			300	72,200				300	72,200
2018 Feb. 1	To Balance B/d			19,700					

45.a. Dr. Profit and Loss Account for the year ended 31st March, 2018 Cr.

Particulars	Rs.	Particulars	Rs.
To Carriage outward	25,500	By Gross profit b/d	1,50,000
To Office rent	7,000	By Dividend received	9,000
To Office stationery	3,500	By Discount received	4,600
To Distribution expenses	2,000	By Rent received	7,000
To Advertisement expenses	3,800		
To Bad debts	8,500		
To Net profit	1,20,300		
(Transferred to capital account)			
	1,70,600		1,70,600

[OR]**45.b. Adjusting entry**

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
2016	Bad debts A/c	Dr.	2,500	
March	To Sundry debtors A/c			2,500
31	(Bad debts written off)			

Dr. Profit and loss account for the year ended 31st March, 2016 Cr.

Particulars	Rs.	Rs.	Particulars	Rs.	Rs.
To Bad debts	1,000				
Add: Additional Bad Debts	2,500	3,500			

Balance Sheet as on 31st March, 2016

Liabilities	Rs.	Rs.	Assets	Rs.	Rs.
			Sundry debtors	26,000	
			Less: Additional Bad debts	2,500	23,500

46.a.**Rectifying Entries**

	Particulars	L.F.	Dr. Rs.	Cr. Rs.
a	Arun A/c	Dr.	27	
	To Suspense A/c			27
	(Wrong amount posted to Arun account rectified)			
b	Suspense A/c	Dr.	45	
	To Lakshmi A/c			45
	(Short credit to Lakshmi account rectified)			

c	Suspense A/c To Furniture A/c (Excess debit to furniture account rectified)	Dr.		36	36
d	Machinery A/c To Suspense A/c (Omission to debit machinery account rectified)	Dr.		200	200
e	Suspense A/c To Purchases A/c (Excess amount carried forward to purchases account rectified)	Dr.		9	9

[OR]

46. b. Dr. Machinery Account Cr.

Date	Particulars	Rs.	Date	Particulars	Rs.
2008 April 1	To Bank A/c	64,000	2008 Dec 31	By Depreciation A/c (92,000 × 10/100 × 9/12)	6,900
April 1	To Bank A/c	28,000	Dec 31	By Balance c/d	85,100
		92,000			92,000
2009 Jan. 1	To Balance b/d	85,100	2009 Dec 31	By Depreciation A/c (92,000 × 10/100)	9,200
		85,100	Dec 31	By Balance c/d	75,900
					85,100
2010 Jan. 1	To Balance b/d	75,900	2010 June 30	By Depreciation A/c (92,000 × 10/100 × 6/12)	4,600
			June 30	By Bank A/c	52,000
		75,900	June 30	By Profit and Loss A/c (Loss on sale)	19,300
					75,900

Dr. Depreciation Account Cr.

Date	Particulars	Rs.	Date	Particulars	Rs.
2008 Dec 31	To Machinery A/c	6,900	2008 Dec 31	By Profit and Loss A/c	6,900
		6,900			6,900
2009 Dec 31	To Machinery b/d	9,200	2009 Dec 31	By Profit and Loss A/c	9,200
		9,200			9,200
2010 Dec 31	To Machinery b/d	4,600	2010 Dec 31	By Profit and Loss A/c	4,600
		4,600			4,600

47.a)**In the books of Ramasundari****Dr. Trading and Profit and Loss Account for the year ending 31st December, 2017 Cr.**

Particulars	Rs.	Rs.	Particulars	Rs.	Rs.
To Opening stock		2,500	By Sales		7,000
To Purchases		3,300	By Closing stock		4,000
To Wages		2,700			
To Gross Profit C/d		2,500			
(Transferred to Profit and Loss A/c)					
		11,000			11,000
To Salary		2,600	By Gross Profit b/d		2,500
To Net profit		2,400	(Transferred from		
(Transferred to capital A/c)			Trading A/c)		2,500
			By Discount received		
		5,000			5,000

Balance Sheet as on 31st December 2017

Liabilities	Rs.	Rs.	Assets	Rs.	Rs.
Capital	52,000		Cash at Bank		6,400
(+) Net Profit	2,400	54,400	Machinery		52,000
			Closing Stock		4,000
Creditors		8,000			
		62,400			62,400

[OR]**47.b) Solution**

- (i) Capital Expenditure
- (ii) Revenue Receipt
- (iii) Capital Expenditure
- (iv) Capital Receipt.
- (v) Capital Expenditure

***** All The Best *****