

Class : 11

Register
Number**FIRST REVISION EXAMINATION - JANUARY - 2025**

Time Allowed : 3.00 Hours]

ACCOUNTANCY

[Max. Marks : 90

20x1=20

- I. Choose the correct answer. akwaacademy.blogspot.com
- The root of financial accounting system is
 - Social accounting
 - Stewardship accounting
 - Management accounting
 - Responsibility accounting
 - The rule of stock valuation 'cost price or realisable value' whichever is lower is based on the accounting principle of
 - Materiality
 - Money measurement
 - Conservatism
 - Accrual
 - Withdrawal of cash from business by the proprietor should be credited to
 - Drawings A/c
 - Cash A/c
 - Capital A/c
 - Purchases A/c
 - The incorrect accounting equation is
 - Assets = Liabilities + Capital
 - Assets = Capital + Liabilities
 - Liabilities = Assets + Capital
 - Capital = Assets - Liabilities
 - The process of transferring the debit and credit items from journal to ledger accounts is called
 - Casting
 - Posting
 - Journalising
 - Balancing
 - Trial balance is a
 - Statement
 - Account
 - Ledger
 - Journal
 - The account which has a debit balance and is shown in the debit column of the trial balance is
 - Sundry creditors account
 - Bills payable account
 - Drawings account
 - Capital account
 - The source document or voucher used for recording entries in sales book is
 - Debit note
 - Credit note
 - Invoice
 - Cash receipt
 - Closing entries are recorded in
 - Cash book
 - Ledger
 - Journal proper
 - Purchases book
 - The balance in the petty cash book is
 - An expense
 - A profit
 - An asset
 - A liability
 - Debit balance in the bank column of the cash book means
 - Credit balance as per bank statement
 - Debit balance as per bank statement
 - Overdraft as per cash book
 - None of the above
 - Balance as per bank statement is ₹ 1,000. Cheque deposited, but not yet credited by the bank is ₹ 2,000. What is the balance as per bank column of the cash book?
 - ₹ 3,000 overdraft
 - ₹ 3,000 favourable
 - ₹ 1,000 overdraft
 - ₹ 1,000 favourable
 - Errors not affecting the agreement of trial balance are
 - Errors of principle
 - Errors of overcasting
 - Errors of undercasting
 - Errors of partial omission
 - A credit purchase of furniture from Athiyaman was debited to purchases account. Which of the following accounts should be debited while rectifying this error?
 - Purchases account
 - Athiyaman account
 - Furniture account
 - None of these
 - A depreciable asset may suffer obsolescence due to
 - Passage of time
 - Wear and tear
 - Technological changes
 - None of the above.
 - Revenue expenditure is intended to benefit
 - Past period
 - Future period
 - Current period
 - Any period
 - Drawings appearing in the trial balance is
 - Added to the purchases
 - Subtracted from the purchases
 - Added to the capital
 - Subtracted from the capital
 - Accrued interest on investment will be shown
 - On the credit side of profit and loss account
 - On the assets side of balance sheet
 - Both (a) and (b)
 - None of these
 - Customised accounting software is suitable for
 - Small, conventional business
 - Large, medium business
 - Large, typical business
 - None of the above
 - Accounting software is an example of
 - System software
 - Application software
 - Utility software
 - Operating software
- II. Answer any 7 questions. Q.No.30 is compulsory. 7x2=14
- Note : Answer any seven questions. Question No. 30 is compulsory. 7x2=14
- What are the steps involved in the process of accounting? (any two)
 - | | | | | |
|-----------|---|---------------|---|-----------|
| Assets ₹ | = | Liabilities ₹ | + | Capital ₹ |
| a) 30,000 | = | 20,000 | + | ? |
| b) ? | = | 25,000 | + | 30,000 |
| c) ? | = | 10,000 | + | 80,000 |
| d) 40,000 | = | ? | + | 30,000 |
 - State whether the balances of the following accounts should be placed in the debit or the credit column of the trial balance.
 - Sundry Debtors
 - Sundry Creditors
 - Cash in hand
 - Bank overdraft
 - What will be the effect of interest charged by the bank, if the balance is on overdraft?

25. The following errors were detected before preparation of trial balance. Rectify them,
- The total of rent received account in carried forward ₹ 900 short.
 - The total of rent receives account is carried forward ₹ 1,000 excess.
 - The total of salary account is carried forward ₹ 1,100 short.
 - The total of salary account is carried forward ₹ 1,200 excess.
26. A firm purchased a plant for ₹ 40,000. Ereeterm charges amounted to ₹ 2,000. Effective life of the plant in 5 years. Calculate the amount of depreciation per year under straight line method.
27. Wha tis meant by deferred revenue expenditure?
28. From the following balances taken from the books of Saravanan, Calculate gross profit for the year ended Dec 31, 2019. Opening stock ₹ 1,50,000; Net sales during the year ₹ 4,00,000; Direct expenses ₹ 8,000 Net purchases during the year ₹ 1,50,000 Closing stock ₹ 25,000
29. What is meant by software?
30. On 31st March 2019, net profit before charging commission is 4,000. Find out the manager is entitled to receive 10% as commission on the profit after charging such a commission. Find out the commission amount of manager.

III. Answer any seven from the following questions. Q. No. 40 is compulsory. 7x3=21

31. What is an Account? Classify the accounts with suitable examples.
32. 'A trial balance is only a prima facie evidence of the arithmetical accuracy of records'. Do you agree with this statement? Give reasons.
33. Mention the subsidiary books in which the following transactions are recorded.
- Sale of goods for cash
 - Sale of goods on credit
 - Purchases of goods on credit
 - When the proprietor takes goods for personal use
 - Goods returned to suppliers for which cash is not received immediately
 - Asset purchased as credit.
34. Enter the following transactions in a single column cash book of Seshadri for May, 2017.

MAY	PARTICULARS	₹
1	Cash in hand	40,000
5	Cash received from Swathi	4,000
7	Paid wages in cash	2,000
10	Purchased goods from Sasikala for cash	6,000
15	Sold goods for cash	9,000
18	Purchased computer	15,000
22	Cash paid to Sabapathi	5,000
28	Paid salary	2,500
30	Interest received	500

35. A boiler was purchased on 1st January 2015 from abroad for ₹ 10,000. Shipping and forwarding charges amounted to ₹ 2,000. Import duty ₹ 7,000 and expenses of installation amounted to ₹ 1,000. Calculate depreciation for the first 3 years @10% p.a. on diminishing balance method assuming that the accounts are closed 31st December each year.
36. Classify the following receipts and payments into capital and revenue.
- Sale proceeds of goods ₹ 75,000.
 - Loan borrowed from bank ₹ 2,50,000
 - Sale of investment ₹ 1,20,000.
 - Commission received ₹ 30,000.
 - ₹ 1,400 wages paid in connection with the erection of new machinery.
 - Audit fees paid ₹ 10,000.
37. From the following details, prepare profit and loss account.

PARTICULARS	₹	PARTICULARS	₹
Gross profit	50,000	Interest received	2,000
Office rent	10,000	Discount received	3,000
Depreciation on office assets	8,000	Carriage outwards	2,500
Discount allowed	12,000	Insurance on office building	3,500
Advertisement	4,000	General expenses	3,000
Audit fees	1,000	Freight inwards	1,000

38. The trial balance of a trader on 31st December, 2016 shows sundry debtors as ₹ 50,000. Adjustments: (a) Write off ₹ 1,000 as bad debts (b) Provide 5% for doubtful debts (c) Provide 2% for discount on debtors

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

39. State the various types of coding methods.

40. Fill in the missing information in the following journal entries:

Date	PARTICULARS	L.F NO:	DEBIT ₹	CREDIT ₹
25.3.2022	_____ a/c	Dr	_____	_____
	(Goods used for office use ₹ 500)			
27.3.2022	_____ a/c	Dr	_____	_____
	(Goods taken for personal use ₹ 1,000)			
28.3.2022	_____ a/c	Dr	_____	_____
	(Goods given for charities ₹ 800)			

IV. Answer all the questions.

7x5=35

41. (a) Selvi is a dealer in furniture. Show the accounting equation for the following transaction. ₹

i)	Started business with cash	1,00,000
ii)	Deposited cash into bank	60,000
iii)	Borrowed loan from bank	25,000
iv)	Bought goods and paid by cheque	10,000
v)	Cash withdrawn for personal use	5,000 (OR)

(b) The following trial balance was extracted from the books of Arun traders as on 31st Mar, 2020.

Particulars	Debit ₹	Credit ₹
Building	17,500	-
Plant & Machinery	12,000	-
Cash purchases	30,000	-
Credit purchases	8,500	-
Sales	-	63,250
Bills receivable	6,750	-
Coal and water	1,625	-
Office expenses	5,250	-
Rent received	-	1,750
Carriage outwards	2,875	-
Repairs and Maintenance	500	-
Wages	9,250	-
Debtors and Creditors	9,000	8,500
Cash	2,000	-
Capital	-	44,750
Opening stock	13,000	-
	1,18,250	1,18,250

Prepare trading and profit and loss a/c for the year ending 31st Mar 2020 and balance sheets as on that date often considering the following: a) Depreciate plant and machinery @ 20%

b) Wages outstanding amounts to ₹ 750 c) Half of repairs and maintenance paid is for the next year.

42. a) Chandran is a sole trader dealing in sports items. From the following transactions. Pass journal entries for the month of March 2021.

March 1.	Commenced business with cash	₹ 4,00,000
2.	Cash deposited into Bank	3,00,000
3.	Purchased goods from Rent and payment made through net banking	90,000
4.	Sales made to Kumar, who deposited the money through CDM	10,000
5.	Sales made in Vivek, who made the payment by debit card	6,000
6.	Sold goods to Keerthana, who made the payment through credit card	50,000
7.	Dividend directly received by bank	2,000
8.	Money withdrawn from Arun	3,000
9.	Salaries paid through tics	6,000
10.	Cricket bats donated to a trust	10,000 (OR)

b) Prepare trading and profit and loss a/c to the books of Ramasundari for the year ended 31st Dec 2019 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		

43. a) Give journal entries for the following transaction and post them to cash a/c and sales a/c. 2019 August

10	Sold goods and cheque received but not deposited	₹ 30,000
14	Sold goods on credit to Gopi	12,000
20	Received cash from Gopi	12,000 (OR)

b) State whether the following are capital or revenue stock.

- ₹. 5,000 spent towards additive to buildings.
- Second - hand motor car purchased for ₹. 30,000 and paid ₹. 2,000 as repairs immediately.
- ₹.10,000 was spent on painting the new factory.
- Freight and cartage on the new machine ₹.150 erection charges ₹.200.
- Office rent paid ₹.2,000.

44. (a) Show the direct ledger posting for the following transactions. 2019, June

1	Raja commenced business with casting ₹. 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 Shanthy on credit ₹.5,000. (OR)

- b) A firm acquired a machine on 1st April 2018 at a cost of ₹50,000. Its life is 6 years. The firm writes off depreciation @ 30% p.a. on the diminishing balance method. The firm closes its books on 31st Dec every year. Show the machinery a/c & depreciation a/c for three years starting from 1st April 2015.
45. a) The following trial balance has certain errors. redraft it

Trial balance as on 31st March 2019

Name of account	Debit ₹.	Credit ₹.
Building	60,000	-
Machinery	17,000	-
Returns outward	2,600	-
Bad debts	2,000	-
Cash	400	-
Discount received	3,000	-
Bank overdraft	10,000	-
Creditors	50,000	-
Purchases	1,00,000	-
Capital	-	72,800
Fixtures	-	5,600
Sales	-	1,04,000
Debtors	-	60,000
Interest received	-	2,600
	2,45,000	2,45,000

(OR)

- b) The following errors were located at the time of preparation of the trial balance. Rectify them,
- sale of goods of Akila on credit for ₹1,520 posted to her a/c at ₹1,250.
 - Bought goods from Narendran on credit for 5,500. Credited his a/c as ₹5,050.
 - Purchased of furniture from Ravivarman for ₹404 on credit were debited to furnitures a/c as ₹440.
 - Purchased machinery cash ₹2,000 was not posted to machinery a/c.
 - The total of purchases book ₹899 was carried forward as ₹989.

46. a) Prepare necessary subsidiary books in the books of Niranjana from the following transactions for the months of Feb 2020.

Date	Description	₹.
2020 Feb 1	Purchased goods from Mukil Traders on credit	12,450
4	Goods sold to Sachin Traders on credit	15,000
6	Sold goods to Manish traders on credit	12,100
7	Sachin Traders returned goods for which cash is not paid	1,200
9	Returned goods to Mukil traders for which cash is not received	1,500
10	Sold goods to Manish & Co. on credit	13,300
14	Purchased from Mukil traders on credit	15,200

- b) Enter the following transactions in a cash book with cash and discount columns.

Date	Description	₹.
2019 Jan 1	Cash in hand	11,500
5	paid to Raman by depositing in cash deposit machine	300
	Discount allowed by him	10
8	Purchased goods for cash	400
10	Cash received from Rajagopal	980
	Discount allowed	20
15	Sold goods for cash	400
21	paid cash to Shanthi	295
	Discount received	5
25	paid wages by cash	50
31	paid to Sanjeev ₹390 in full settlement of his a/c	400

47. a) Enter the following transaction on the three column cash book of Kalyani.

Date	Description	₹.
2019 Jan 1	Balance in hand	42,500
	Balance at bank	35,000
3	Received for cash bank	15,700
4	Cash paid into bank	11,500
6	Cash purchases	14,300
9	Received dividend directly by the bank through ECS	2,000
10	Pongal advance to staff paid through bank	17,000
12	Received cash from Nagarajan and allowed him discount	11,850
		150
17	paid Magesh in full settlement of his account ₹ 20,000	19,700
20	Cash withdrawn for personal expenses	20,000
30	withdrawn cash from ATM for office use	1,500

(OR)

- b) From the following particulars, ascertain the cash book balance as on 31st Dec 2019.

- Overdraft balance as per book statement ₹1,26,640.
- Interest on overdraft entered in the bank statement, but not yet recorded in cash book ₹3,200.
- Bank charges entered in bank statement, but not found in cash book ₹600.
- Cheque issued, but not yet presented for payment ₹23,360.
- Cheque deposited into the bank but not yet credited ₹43,400.
- Interest on investment collected by the bank ₹24,000.