



ST. LAWRENCE HIGH SCHOOL
A JESUIT CHRISTIAN MINORITY INSTITUTION
First Term Examination – 2018



Sub :Accountancy
Duration:3hrs15 Min.

Class: 11C

FM: 80
Date: 01.08.2018

Special credit will be given for answers which are brief and to the point. Marks will be deducted for spelling mistakes, untidiness and bad hand writing. Figures in the margin indicate full marks for the questions.

GROUP-A

1. Answer the following questions:-
(Select the correct answer)

MARKS – 1X24=24

i) Accounting is recording of –

a) present happening ; b) past happening ; c) past and future happening ; d) past and present happening .

ii) Accrual concept is one of the consequences of the –

a) money measurement concept ; b) dual aspect concept ; c) going concern concept ; d) periodicity concept.

iii) Depreciation is under which Accounting Standard(AS) of India-

a) AS-2 ; b) AS-3 ; c) AS-5 ; d) AS-6

iv) Accounting is a/an –

a) Art ; b) Science ; c) Both art and science ; d) None of these.

v) Which of the following is an internal user of accounting information-

a) employees ; b) investors ; c) managers ; d) labour union

vi) Buyers of goods and services on credit are called-

a) creditors ; b) lenders ; c) customers ; d) debtors.

vii) Accounting Standards are issued by-

a) The Institute of Cost and Management Accountants of India

b) The Institute of Chartered Accountants of India

c) Ministry of Corporate Affairs

d) Company Law Board

viii) Outstanding wages at the end of the financial year is added to a business's expenses in the profit and loss account . Which accounting principle is being applied?

a) business entity ; b) matching ; c) historical cost ; d) money measurement.

ix) Revenue Recognition is under which Accounting Standard (AS) of India?

a) AS-1 ; b) AS-5 ; c) AS- 10 ; d) AS-9

x) Goodwill account is a-

a) Nominal Account ; b) Personal Account ; c) Real Account ; d) Valuation Account

xi) Sumit introduces his car into his business . Which parts of the business accounting equation will change?

a) capital and liability ; b) liabilities and assets ; c) capital and profit ; d) assets and capital.

xii) Journal is a –

a) Memorandum record ; b) primary record ; c) secondary record ; d) none of the above.

xiii) The first book in which the transactions of a business unit are recorded is called-

a) a ledger ; b) a journal ; c) a trial balance ; d) all the above

xiv) If a bank account shows a credit balance of Rs 1000, the accountholder deposits Rs 400 and draws a cheque for Rs 300 , the balance in the bank account should be-

a) Rs 900 debit ; b) Rs 1100 debit ; c) Rs 900 credit ; d) Rs 1100 credit.

xv) Sale of old furniture for cash is recorded in the-

a) Petty Cash Book ; b) Cash Book ; c) Journal Proper ; d) Sales Day Book.

xvi) Which is both a book of Journal and a Ledger?

a) Cash Book; b) General Journal; c) Purchases Journal; d) Sales Journal.

xvii) Purchase Day Book is prepared from-

a) Cash Memo ; b) Inward Invoice ; c) Outward Invoice ; d) Debit Note.

xviii) Which of the following a credit balance in the cash book indicates-

a) the account is closed ; b) cash in hand ; c) cash at bank ; d) bank overdraft.

xix) Which of the following statement is correct ?

a) $A=C+L$; b) $A=C-L$; c) $A+C=L$; d) all of these.

xx) The term 'petty' means-

a) small ; b) big ; c) separate ; d) none of these.

xxi) Bank account is a

a) Real account; b) Nominal account; c) Personal account; d) Valuation account.

xxii) Which of the following discount is recorded in the books of account?

a) cash discount; b) bulk discount; c) trade discount; d) none of the above.

xxiii) The " Father of Accounting " is –

a) Kautilya ; b) Galileo ; c) Herodotus ; d) Fra Luca Pacioli.

xxiv) Provision for Bad Debts Account is a-

a) Real Account ; b) Personal Account ; c) Valuation Account ; d) Nominal Account.

GROUP- B

2. Answer the following questions in very short (Alternatives are to be noted) : 1x12=12

(i) What is an asset ?

(ii) State any two objectives of Accounting ?

OR

What are the three branches of Accounting ?

(iii) What is an account ?

(iv) What is the full form of IFRS ?

(v) What is Matching Concept?

OR

What do you mean by Money Measurement Concept ?

(vi) Name two source documents.

(vii) What do you mean by invoice ?

(viii) Write any two advantages of Accounting?

(ix) When is credit note issued?

(x) Write two limitations of accounting?

(xi) What do you mean by materiality concept ?

(xii) What is Journalising?

OR

Name two books of original entry.

GROUP – C

3. Answer the following questions (Alternatives are to be noted):

4x4=16

(i) From the following particulars, prepare a Purchase Day Book of Rahim Electricals who is a retailer of electrical goods:-

08-08-2017 Purchase from P.K Electronics 200 fans @ Rs 800 each. 500 LED tubelights @ Rs 280 each. Trade Discount @ 10%. Packing and forwarding charges Rs 500.

16-08-2017 Purchased from Sonu Electronics 50 halogen lights @ Rs 1000 each, 15% Trade Discount .

30-08-2017 Purchased from B.K. Bros 300 tubelights @ Rs 220 each. 10% Trade Discount, Transport Charges Rs 200.

(ii) Pass journal entries for the following transactions:

2018

May 1 : Bought goods from Vishal – Rs 2500

May 5 : Purchased furniture for office use in cash from M/s Dasgupta & Co- Rs 5000

May 15 : Sold goods to Rahmat Ali in cash – Rs 3500

May 22 : Paid electricity charges in cash – Rs 3000

OR

Distinguish between Journal and Ledger.

(iii) Show Accounting Equations on the basis of the following transactions :

(a) Rohan commenced business with Rs 100000

(b) Purchased machinery for Rs 40000

(c) Purchased goods for Rs 30000

(d) Sold all goods for cash Rs 70000.

(iv) Distinguish between Purchase Day Book and Purchase Account.

GROUP – D

4. Answer the following questions:-

6x3=18

(i) Record the following transactions in the Cash Book of Sri S. Sengupta and draw the closing balances of Cash and Bank columns:-

2018

May 1 Cash in hand Rs 2400

Cash at Bank Rs 3500

3 Purchased goods from M/s Jhunjhunwala for Rs 700 and paid by cheque.

9 Cash purchases Rs 800 less trade discount 5%.

10 Purchased stamps etc Rs 50

12 Cash sales Rs 2000 and banked the same.

14 Drew cash for personal use Rs 160.

15 Received from Mr Hamid cash Rs 300 and cheque Rs 500, both deposited into bank.

Withdrawn from bank for office use Rs 800.

16 Paid wages Rs 300 and rent Rs 500.

19 Paid M/s Milly by Cheque Rs 2400.

23 Received a cheque from Mr Sarkar for sale of old goods Rs 800.

25 Paid M/s Jhunjhunwala cash Rs 750 and cheque Rs 360.

26 Mrs D. Sen , a customer, deposited into bank Rs 600.

29 Withdrawn from bank for personal use Rs 200.

31 Bank charged for commission Rs 100.

(ii) Distinguish between Trade Discount and Cash Discount.

(iii) From the following particulars of the business of M/s Das & Co , record the transactions in the Sales Day Book:-

March 5 , 2016 Sold to Calcutta Electric Company 2500 pieces of 100 watt bulbs @Rs9 per piece, less trade discount @5%.

March10, 2016 Sold to Guwahati Electronics Company 3000 pieces of 200 watt bulbs @Rs15 per piece less trade discount @10% and cash discount @ 5%.

March 20, 2016 Sold to Patna Electric Company , 1500 pieces of 100 watt bulbs @Rs8 per piece, less trade discount @ 7.5% and carrying charges Rs 300.

GROUP – E

5. Answer the following question:-

10x1=10

Journalise the following transactions :-

April 2017

1 Started business with cash Rs 10000

2 Deposited into bank Rs 4000

5 Purchased goods on credit from Mr Roy Rs 4000

6 Paid cash to Mohan Rs 500

10 Cash sales RS 1000

15 Sold goods to Soham RS 2000

20 Received cash from Ganesh Rs 6000

25 Withdrew cash from bank Rs Rs 1000

30 Salaries paid by cheque Rs 2000

30 An old amount written off as bad debt in 2016 is recovered Rs 1500.



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FIRST TERM EXAMINATION - 2018
CLASS - XI C



F.M.- 80
DATE -01.08.18

SUBJECT - ACCOUNTANCY
Model Answers

GROUP-A

1. Answer the following questions:-
(Select the correct answer)

i) Accounting is recording of -

b) past happening.

ii) Accrual concept is one of the consequences of the -

d) periodicity concept.

iii) Depreciation is under which Accounting Standard(AS) of India-

d) AS-6

iv) Accounting is a/an -

c) Both art and science

v) Which of the following is an internal user of accounting information-

c) managers

vi) Buyers of goods and services on credit are called-

d) debtors.

vii) Accounting Standards are issued by-

b) The Institute of Chartered Accountants of India.

viii) Outstanding wages at the end of the financial year is added to a business's expenses in the profit and loss account . Which accounting principle is being applied?

b) matching

ix) Revenue Recognition is under which Accounting Standard (AS) of India?

d) AS-9

x) Goodwill account is a-

c) Real Account

xi) Sumit introduces his car into his business . Which parts of the business accounting equation will change?

d) assets and capital.

xii) Journal is a –

b) primary record

xiii) The first book in which the transactions of a business unit are recorded is called-

b) a journal

xiv) If a bank account shows a credit balance of Rs 1000, the accountholder deposits Rs 400 and draws a cheque for Rs 300 , the balance in the bank account should be-

c) Rs 900 credit

xv) Sale of old furniture for cash is recorded in the-

b) Cash Book

xvi) Which is both a book of Journal and a Ledger?

a) Cash book.

xvii) Purchase Day Book is prepared from-

b) Inward Invoice

xviii) Which of the following a credit balance in the cash book indicates-

d) bank overdraft.

xix) Which of the following statement is correct ?

a) $A=C+L$

xx) The term 'petty' means-

a) small

xxi) Bank is a -

c) Personal Account.

xxii) Which of the following discount is recorded in the books of account?

a) cash discount

xxiii) The " Father of Accounting " is –

d) Fra Luca Pacioli.

xxiv) Provision for Bad Debts Account is a-

c) Valuation Account

GROUP- B

2. Answer the following questions in very short (Alternatives are to be noted):

(i) Ans:- Assets are those resources that the business owns. They refer to some property or legal right owned by a business unit , which can be measured in terms of money.

(ii) Ans :- The two objectives of Accounting are :-

(a) To facilitate business decision making.

(b) To keep a systematic record of financial transactions that effect the business enterprise.

OR

Ans :- The three branches of Accounting are :- (a) Financial Accounting, (b) Cost Accounting and (c) Management Accounting.

(iii) Ans:- An account is a formal record, in the ledger, of all transactions relating to changes in a particular item.

(iv) Ans :- The full form of IFRS- International Financial Reporting Standard.

(v) Ans:- Matching concept results from periodicity concept. It is the concept of accounting which matches the recognized income with relating expenses to determine the financial result.

OR

Ans:- According to money measurement concept business assets are to be recorded if it can be measured in terms of money.

(vi) Ans:- The two source documents are : (a) Sales Order and (b) Purchase Order.

(vii) Ans:- It is a document prepared by the seller and sent to his customers. It shows the goods sold, with descriptions, quantities, prices and trade discounts. It may include additional charges— for insurance, carriage and container. It also shows the total amount due from the customers.

(viii) Ans:- The two advantages of Accounting :-

(a) It provides information useful for making economic decisions.

(b) It supplies information useful in judging the management's ability to utilize enterprise resources effectively in achieving primary enterprise goals.

(ix) Ans:- When goods are returned by the customers, a document is prepared called " credit note" and sent it to customer to intimate him that his account has been credited.

(x) Ans:- The two limitations of accounting are :-

(a) Accounting is historical in nature, it does not reflect the current financial position of the business.

(b) The Profit and Loss Account tends to match current revenues with historical costs rather than current costs.

(xi) Ans:- The materiality concept permits other concepts to be ignored if the effects are not considered to be material. The concept of materiality is the threshold for recognition of a transaction in accounting process..

(xii) Ans: - Journalising is a process of recording in the books of account. It is done from the voucher. It is the first input in the accounting system.

OR

.Ans:- The two books of original entry are :- (a) Sales Day Book & (b) Purchase Day Book.

GROUP - C

3(i)

In the books of Rahim Electricals

Purchase Day Book

Dae	Particulars	Inv nos	L.F	Details (Rs)	Amount (Rs)	Remarks
08.08.2017	<u>P. K Electronics</u> 200 fans @Rs 800 each 500 tube lights @ Rs280 each			160000 140000 300000		Trade Discount@ 10% and Packing and forwarding charges Rs 500
	Less : Trade Discount @ 10%			30000		
	Add : Packing and forwarding charges			270000 500		
					270500	

16.08.2017	<u>Sonu Electronics</u> 50 halogen lights @ Rs 1000 each Less: Trade Discount @ 15%			50000					
				7500					
						42500			Trade Discount @15%
30.08.2017	<u>B.K. Bros</u> 300 tube lights @ Rs 220 each Less : Trade Discount @ 10% Add: Transport Charges			66000					
				6600					
				59400					
				200					
						59600			Trade Discount 10% and Transport Charges Rs 200
								372600	

OR

(ii)

In the books of.....

Journal

Date	Particulars	L.F	Dr Amount(Rs)	Cr Amount(Rs)
01.05.18	Purchase A/c _____ Dr To Vishal		2500	2500
05.05.18	Furniture A/c _____ Dr To Cash		5000	5000
15.05.18	Cash A/c _____ Dr To Sales		3500	3500
22.05.18	Electricity Charges A/c _____ Dr To Cash		3000	3000
	Grand Total		14000	14000

OR

Distinguish between Journal and Ledger.

	Journal		Ledger
1.	Journal is called the book of original entry.	1.	Ledger is called the book of secondary entry.
2.	Journal entry is generally accompanied by narration.	2.	Ledger is not accompanied by narration.
3.	Journal contains entries.	3.	Ledger contains accounts.
4.	It does not provide cross referencing.	4.	It provides cross referencing.

(iii)

SL no	Assets Cash(Rs)	+	Goods(Rs)	+	Machinery (Rs)	Liabilities = Creditors	+	Capital Capital(Rs)
(a)	100000							100000
(b)	60000				40000			100000
(c)	30000		30000		40000			100000
(d)	100000				40000			140000 (100000+40000)

(iv) Distinguish between Purchase Day Book and Purchase Account.

	Purchase Day Book		Purchase Account
1.	It is the record of the credit purchases.	1.	It is the record of cash as well as credit purchases.
2.	It is a journal.	2.	It is a ledger.
3.	It is prepared from the invoices received.	3.	It is prepared from the Purchase Day Book and Cash Book.
4.	It helps in the preparation of purchase account.	4.	It helps in the preparation of final account.

GROUP – D

4. Answer the following questions:-

(i)

In the books of

Cash Book (Double column)

Date	Particulars	L.F	Cash	Bank	Date	Particulars	L.F	Cash	Bank
1.5.18	To Bal b/d		2400	3500	3.5.18	By Purchase			700
12.5.18	To Sales			2000	9.5.18	By Purchase		760	
15.5.18	To Mr Hamid A/c			800	10.5.18	By Postage & Stamps		50	
15.5.18	To Bank	(c)	800		14.5.18	By Drawings		160	
23.5.18	To Sales			800	15.5.18	By Cash	(c)		800
26.5.18	To Mr D. Sen A/c			600	16.5.18	By Wages		300	
					16.5.18	By Rent		500	
					19.5.18	By M/s Milly A/c			2400
					25.5.18	By Mr Jhunhunwala		750	360
					29.5.18	By Drawings			200
					31.5.18	By Commission			100
					31.5.18	By Bal c/d		680	3140
			3200	7700				3200	7700

(ii) Distinguish between Trade Discount and Cash Discount.

	Trade Discount		Cash Discount
1.	These are discounts off the prices of goods.	1.	These are discount receivable or allowable on payment within a specified period.
2.	These are allowed at the time goods are sold.	2.	These are allowed only at the time payment is made.
3.	These discounts have nothing to do with the goods being sold in cash or on credit.	3.	These discounts arise only when the goods are sold in credit.
4.	The rates of discount depend on the quantities purchased.	4.	The rates of discount depend on the period of credit allowed and the period of credit availed of.
5.	No provision is created in the books of trade discount.	5.	A provision may be created for cash discounts.
6.	It is calculated on the list price of the goods.	6.	It is calculated on the list price of the goods less trade discount.

(iii)

In the books of M/s Das & Co

Sales Day Book

Date	Particulars	O.I nos	L.F	Details (Rs)	Total(Rs)	Net Sales
05.05.16	Calcutta Electric Company 2500pcs of 100 watt bulbs @Rs9per piece Less:- Trade Discount @ 5%			22500 <u>1125</u>	21375	21375
10.05.16	Guwahati Electronics Company 3000pcs of 200 watt bulbs @Rs15 per piece Less:- Trade Discount @ 10%			45000 <u>4500</u>	40500	40500
20.05.16	Patna Electrical Company 1500pcs of 100 watt bulbs @Rs8 per piece Less:- Trade Discount @ 7.5% Add:- Carrying Charges			12000 900 <u>11100</u> 300	11400	11100
	Total				73275	72975

5.

GROUP-D

In the books of _____

Journal Entries

Date	Particulars	L.F	Dr(Rs)	Cr(Rs)
01.04.17	Cash A/c _____ Dr To Capital A/c		10000	10000
02.04.17	Bank A/c _____ Dr To Cash A/c		4000	4000
05.04.17	Purchase A/c _____ Dr To Mr Roy A/c		4000	4000
06.04.17	Mohan A/c _____ Dr To Cash A/c		500	500
10.04.17	Cash A/c _____ Dr To Sales A/c		1000	1000
15.04.17	Soham A/c _____ Dr To Sales A/c		2000	2000
20.04.17	Cash A/c _____ Dr To Ganesh A/c		6000	6000
25.04.17	Cash A/c _____ Dr To Bank A/c		1000	1000
30.04.17	Salaries A/c _____ Dr To Bank A/c		2000	2000
30.04.17	Cash A/c _____ Dr To Bad debt recovered A/c		1500	1500
	Grand Total		32000	32000