

PREBOARD EXAMINATION – 2020-21

Class: XI (CBSE)

Total Marks: 80

Date.....

SUBJECT - ACCOUNTANCY

Time: 3 hrs.

General Instructions:

- 1. This question paper contains two Parts A and B.***
- 2. Both the parts are compulsory.***
- 3. Show the necessary working notes along with answer***
- 4. All parts of a question should be attempted at one place***

PART A

- 1 Whether the following statement is True or False: “Closing Stock appearing in the trial balance is at ₹56, 000 as on 31st March, 2019 and the market value as on that date is ₹66, 000. In that case ₹56, 000 must be recorded as a value of closing stock in the final accounts.” 1
- 2 Choose the correct answer from the options given below: 1
What should be the rectifying entry for ₹3, 50,000 spent on a family trip enjoyed by Mr. Khanna and recorded them by debiting to Office Expenses A/c?
a) Drawings A/c Dr. 3,50,000
 To Cash A/c 3, 50,000
b) Drawings A/c Dr. 3,50,000
 To Office Expenses A/c 3, 50,000
c) Office Expenses A/c Dr. 3,50,000
 To Drawings A/c 3, 50,000
d) Cash A/c Dr. 3,50,000
 To Office Expenses A/c 3, 50,000
- 3 What will be the rate of depreciation if the asset was purchased for ₹80,000 it has salvage value of ₹10,000 at the end of its useful life of 7 years? 1
- 4 Name the process of transferring entries from the journal to their respective accounts in the ledger 1
- 5 State any one objective for preparing the Trial Balance? 1
- 6 Purchase refers to the buying of 1
a) Stationery for office use b) Assets for the factory
c) Goods for resale d) Investment
- 7 Why are rules of debit and credit same for liability and capital? 1
- 8 Mr. Karan, accountant at M/s Das & Das follows different methods of inventory valuation every year. Which of the attributes of accounting information would be affected due to practice adopted by Mr. Karan above? 1

- 9 A Gross Profit ₹ 15,000, Carriage Inwards ₹ 4,000, Rent ₹ 4,500, Drawings ₹ 6,000, Freight Outward ₹ 5,000, Repairs & Maintenance ₹ 4,800, Manufacturing Wages ₹ 5,000, Bad Debts Recovered ₹3,000. What is the amount of net profit/loss? 1
- 10 Which document is evidencing for the credit granted to the named person for the reason stated therein? 1
- 11 Wages paid for installation of newly purchased machinery are debited to Wages Account. Such type of error is known as _____ 1
- 12 Is trial balance a statement or an account? 1
- 13 Choose the correct answer from the options given below: A 4 months bill drawn on 1st January, 2020 will mature for payment on 1
- a) 3rd May 2020 b) 4th May 2020 c) 5th May 2020 d) 10th May 2020
- 14 Pass the necessary Journal Entries to rectify the following errors: 3
1. ₹15,000 paid by cheque for a printer was charged to the Office Expenses Account
 2. Depreciation @ 10% for Machinery costing ₹ 1,25,000 was not charged
 3. Goods sold to Surinder recorded in Purchase Book ₹ 300
- OR
- Explain the following terms:
- i. Capital ii. Drawings iii. Account
- 15 Explain Historical Cost Principle and Consistency Assumption of Accounting 4
- 16 Give journal entries for the following: 4
- i. Received only 60 paise in rupee from official receiver of Mr. Vinod who owed ₹10,000.
 - ii. Issued a cheque in favour of M/s. Kumar & Sons on account of purchase of goods worth ₹60,000 with CGST and SGST @ 6% p.a.
 - iii. Received cash from Vinod for a bad debt written off last year ₹500
 - iv. Goods sold costing ₹8,000 to M/s. Mohan at an invoice price 5% above cost less 5% Trade Discount.
- OR
- Explain the Accrual Basis of Accounting
- 17 Prepare Trial Balance from the following information: Prepaid Expense ₹5,000, Profit & Loss A/c (Profit) ₹8,000, Outstanding Rent ₹2,000, Bad Debts Recovered ₹4,000, Interest on Investment ₹1,000, Due to Mohan ₹5,000, Bank overdraft ₹2,000, Discount Allowed ₹800, Due from Vinod ₹1,200, Investment ₹15,000, Patents ₹4,000, Machinery ₹6,000, Capital ₹10,000 4
- 18 A sold goods to B for ₹4,000 and drew a bill for the amount due at 3 months for the amount. B after giving his acceptance returned the bill to A. A discounted it from his bank for ₹3,900. On due date, bill returned dishonoured and bank paid ₹50 as noting charges. Give journal entries in the books of A only 4

- 19 Enter the following transactions in the Double-Column Cash Book of M/s Roopa Stores 2019 6
- June 1 cash in hand ₹ 800 Bank Overdraft ₹ 5700
June 7 Received cheque from Roopali ₹3250, discount allowed ₹ 150
June 9 deposited the above cheque into bank
June 15 cheque received from Panna Lal ₹1200 and cheque was endorsed to Kamal
June 18 income tax paid by cheque ₹150
June 20 paid wages ₹500
June 30 cash sales of ₹ 2000 plus CGST and SGST @ 6% each

OR

Explain the role of Accounting in Business

- 20 Overdraft shown by the Cash book of Mr. Murli is ₹ 20,000. Prepare bank reconciliation statement on dated December 2015 6
- (i) Bank charges debited as per passbook ₹ 500.
(ii) Cheques recorded in the cash book but not sent to the bank for collection ₹ 2,500.
(iii) Received a payment directly from customer ₹ 4,600.
(iv) Cheque issued but not presented for payment ₹ 6,980.
(v) Interest credited by the bank ₹ 100.
(vi) LIC paid by bank ₹ 2,500.
(vii) Cheques deposited with the bank but not collected ₹ 3,500
- 21 On 1st April, 2015, A Ltd. purchased a machine for ₹ 2,40,000 and spent ₹ 10,000 on its erection. On 1st October, 2015 an additional machinery costing ₹ 1,00,000 was purchased. On 1st October, 2017, the machine purchased on 1st April, 2015 was sold for ₹ 1,43,000 and on the same date, a new machine was purchased at cost of ₹ 2,00,000. Show the Machinery Account for the first four financial years after charging Depreciation at 5% p.a. by the Straight Line Method. 8
- OR
- Babu purchased on 1st April, 2017, a machine for ₹ 6,000. On 1st October, 2017, he also purchased another machine for ₹ 5,000. On 1st October, 2018, he sold the machine purchased on 1st April, 2017 for ₹ 4,000. It was decided that Depreciation @ 10% p.a. was to be written off every year under Diminishing Balance Method. Assuming the accounts were closed on 31st March every year, show the Machinery Account for the years ended 31st March, 2018 and 2019.

Part B
(Financial Accounting –II)

- 22 Adjustments for outstanding expenses, prepaid expenses or depreciation must have two accounting treatments. True or False? 1
- 23 Choose the correct answer from the options given below: 1
Which of the following is not an example of indirect manufacturing expenses:

- a) Depreciation on Machinery
- b) Repairs & Maintenance
- c) Insurance Premium for goods
- d) Raw Materials Consumed

- 24 Choose the correct answer from the options given below: 1
 The capital of a sole trader would change as a result of _____.
 a) Credit Purchase of Raw Material
 b) Wages paid in cash
 c) Withdrew of goods for personal use
 d) Creditor being paid his account by cheque
- 25 State any two limitations of Manual Accounting System 1
- 26 What is Automation of accounting process 1
- 27 Complete the following statement: A prepayment of insurance premium will appear in the Balance Sheet as _____. 1
- 28 State the difference between Manual accounting system and Computer accounting system based on “Recording” 1
- 29 From the following information, compute the amount of profit: Capital at the end of the year ₹5,00,000, Capital in the beginning of the year ₹7,50,000, Drawings made during the period ₹3,75,000. Additional capital introduced ₹50,000. 3
- 30 Shruti maintains her books of account from Incomplete Records. Her books provide the following information: 4

	1st April, 2015	31st March, 2016
Cash	1,200	1,600
Bills Receivable	...	2,400
Debtors	16,800	27,200
Stock	22,400	24,400
Investments	...	8,000
Furniture	7,500	8,000
Creditors	14,900	11,600

She withdrew 500 per month for personal expenses. She sold her Investments of 16,000 at 5% premium and introduced the amount into business.
 You are required to prepare a Statement of Profit or Loss for the year ending 31st March, 2016.

- 31 Explain any three each benefits and limitations of Computer Accounting System 6

32 From the following Trial Balance of Mrs. Saadiya for the year ended 31st March 2018. Prepare Final Accounts.

8

Particulars	Dr. ₹	Cr. ₹
Capital	-	2,73,000
Furniture and fittings	48,100	-
Cash at Bank	73,230	-
Land and Building	4,94,000	-
Stock (Opening)	10,530	-
Debtors and Creditors	84,890	26,780
Purchase and Sales	3,55,790	6,77,120
Carriage outwards	4,030	-
Salaries	54,210	-
General expenses	31,200	-
10% Loan (1-4-2017)	-	2,60,000
Returns	1,690	1,430
Rent	1,820	-
Wages	71,170	-
Interest	13,000	-
Bills Payable	-	8,970
Electricity Charges (Factory)	3,640	-
	12,47,300	12,47,300

Additional Information:

1. Goods costing ₹ 5,200 were taken by Mrs. Saadiya for the personal use.
2. Salaries prepaid ₹ 2,210.
3. The debtors include Rohan who owned us ₹ 1,690 and has become insolvent and nothing is recoverable from his estate.
4. Create a provision for doubtful debts @ 5% p.a.
5. Depreciate land and building @ 10% p.a.
6. Closing stock was valued at ₹20,280.

OR

From the following Trail Balance of Ram Narain as at 31st March 2018, prepare Trading and Profit & Loss A/c and Balance Sheet

Debit balance	₹	Credit Balance	₹
Opening Stock	15,500	Capital	60,000
Land & Building	35,000	Loan From M₹ Ram Narian @	
Machinery	50,000	9% p.a.	30,000
Furniture And Fixtures	5,000	Sundry Creditors	9,600
Purchases	1,06,000	Purchase Return	2,100
Salaries	11,000	Sales	2,07,300
Insurance Premium	2,500	Discount	1,200
Rent	3,000	Output IGST	10,000
Postage Expense	1,400		
Stationery	1,300		
Wages	26,000		
Fright On Purchase	2,800		
Carriage On Sales	4,000		
Repairs	4,500		
Sundry Debtors	30,000		
Bad Debts	600		
Cash In Hand	4,100		
Cash At Bank	6,400		
Sales Return	5,100		
Input IGST	2,000		
Input CGST	2,000		
Input SGST	2,000		
	3,20,200		3,20,200

Adjustments:

- 1) A provision for doubtful debts @ 5% on sundry debtors is provided
- 2) Loan from M₹ Ram Narian was taken on 1st October, 2017. Interest has not yet been paid
- 3) Closing stock on 31st March, 2018 was ₹ 14,900
- 4) Manager is entitled to a commission of 10% of the net profit after charging such commission.
