



Name:
Class: XI
Subject: Accountancy
Date:
Invigilator's Sign.
Session: 2023-24

Roll No.

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SET-A
SUBJECT CODE: 055

Time allowed: 3 Hours

Maximum Marks: 80

- Please check that this question paper contains 7 printed pages.
- Code number given on the right-hand side of the question paper should be written on the title page of the answer book by the candidate.
- Please check that this question paper contains 34 questions.
- Please write down serial number of the question before attempting it.
- 15 minutes time has been allotted to read this question paper. The students will read the question paper only and will not write any answer on the answer-book during this period.

General Instructions:

- 1 Marks for questions are indicated against each question.
- 2 Question numbers 1-20 are very short multiple choice answer questions carrying one mark each.
- 3 Question numbers 21-24 are short answer questions carrying 3 marks each.
- 4 Question numbers 25-30 are long answers questions carrying 4 marks each.
- 5 Question number 31-34 are very long answer questions carrying 6 marks each.
- 6 Show your working notes neat and clean along with proper format.

- Q1. Assertion (A) Human resources in the business firm are important but not reflected in the financial statements of the firm.
Reason (R) Transactions should be recorded from view point of business and not from the businessman's point of view.
Choose the correct option:
(a) Both Assertion (A) and Reason (R) are Correct and Reason (R) is the correct explanation of Assertion (A).
(b) Both Assertion (A) and Reason (R) are Correct but Reason (R) is not the correct explanation of Assertion (A).
(c) Assertion (A) is incorrect but Reason (R) is Correct.
(d) Assertion (A) is correct but Reason (R) is incorrect. (1)
- Q2. Which accounting standard is applied for all Intangible Assets?
(a) AS - 10 (b) AS - 23
(c) AS - 19 (d) AS - 26 (1)
- Q3. On inter- state purchase of goods, which of the following GST is levied?
(a) IGST (b) IGST and CGST
(c) CGST (d) SGST (1)

- Q4. M/s Finest Ltd. Has invested ₹ 1,00,000 in the shares of Relicam Industries Ltd. Current market value of these shares is ₹ 1,05,000. Accountant of Finest Ltd. wants to show ₹ 10,500 as value of investment in the books of accounts, which accounting convention restricts him from doing so?
- (a) Full disclosure (b) Consistency
(c) Conservatism (d) Materiality (1)

- Q5. Which of the following are either Capital Expenditure or Revenue Expenditure?
- (a) ₹ 10,000 were spent on lawyer's fees to defend a suite claiming the firm's factory.
(b) Compensation paid ₹ 60,000 to retrenched employee for the loss of employment. (1)

Read the following hypothetical text, answer the given questions 6 to 7.

Sam traders engaged Mathur, an inexperienced person, as an accountant. On 31st March, 2023, Sam received his bank statement which showed balance due to bank as ₹ 39,500 while his cash books showed debit balance of bank of ₹ 88,900. He asked Mathur to reconcile the bank statement with that of the cash book so that reasons or the causes of difference between the two balances are identified. Mathur is unable to reconcile and has prepared the following bank Reconciliation statement as on 31st March, 2023:

Particulars	Plus Items (₹)	Minus Items (₹)
Balance as per bank statement (Debit)		39,500
(a) Cheques issued but not presented for payment	1,25,000	
(b) Wrong debit by bank	1,00,000	
(c) Income tax refund credited by bank	25,000	
(d) Electric charges paid as per standing instruction	6,200	
(e) Cheques of Venky deposited returned dishonoured	15,000	
(f) Cheques deposited but not yet collected		2,20,000
(g) Interest credited by bank		8,300
(h) Direct deposited by a customer (Sanya)		1,00,000
(i) Cheques recorded in cash book but not deposited		42,000

On the basis of the above, answer the following questions:

- Q6. Is the bank reconciliation statement prepared by Mathur, correct? (1)
- Q7. Identify the error or errors made by Mathur. (1)
- Q8. Match the following accounts:
- (a) Investments (1) Liability
(b) Debentures (2) Revenue
(c) Patents (3) Expenses
(d) Octroi (4) Assets (1)

- Q9. Cash book is a type of _____ but can be treated as a _____ of account.
(a) Subsidiary Books, Principal Books
(b) Principal Books, Returns Book
(c) Purchase Books, Subsidiary Books
(d) Sales Books, Petty Cash Book (1)
- Q10. State whether the following statements are True or False:
(a) Stock is valued at Cost or Net Realisable Value (Market Value), whichever is higher.
(b) Trade Mark is a Tangible asset. (1)
- Q11. Which of the following statements correctly describes the cost concepts?
(a) Assets are shown in the books at the price at which it was purchased plus cost of improvement minus depreciation till date.
(b) Assets are shown in the books at the price it was purchased.
(c) Assets are shown in the books at the price it was purchased plus cost of improvement.
(d) Assets are shown in the books at the price it was purchased or market price whichever is lower. (1)
- Q12. Fill-in-the blanks with appropriate words:
(a) Manipulation of accounts in a way so as to show the better position than what it actually is called _____.
(b) Qualitative characteristics of accounting includes Reliability, Relevance, Comparability and _____. (1)
- Q13. Define Accounting Standards? (1)
- Q14. Goods costing ₹ 20,000 sold to Mahek at a profit of 20% of cost price and trade discount is allowed @ 10% and cash discount of 10% is also allowed. Half the payment was received at the time of sale. What is the amount of cash received at the time sales?
(a) ₹ 9,720 (b) ₹ 10,800
(c) ₹ 11,880 (d) ₹ 10,820 (1)
- Q15. Which of the following transactions is entered into the Journal Proper?
(a) Cash payment to an employee for expense
(b) Cash purchase of goods for resale
(c) Correction of an error
(d) Credit purchase of goods for resale (1)
- Q16. Give two examples of Fictitious Assets. (1)
- Q17. Which of the followings are goods?
(a) Machine manufacturing for sale
(b) Furniture purchased for sale
(c) Books and Stationery purchased by a book seller.
(d) All of the above (1)
- Q18. Decrease in one liability may lead to
(a) Decrease in an assets (b) Increase in another liability
(c) Either (a) or (b) (c) Increase in another expense (1)

Q19. Credit purchase of Furniture is recorded through

- (a) Transfer Voucher (b) Cash Vouchers
(c) Debit Voucher (d) Credit Vouchers (1)

Q20. Imprest amount ₹ 5,000. What will be the amount of re-imburement if following expenses were incurred by the petty cashier during the month – Wages ₹ 1,450, Tiffin ₹1,050, Repairs ₹ 500, General expenses ₹ 400.

- (a) ₹ 1,600 (b) ₹ 3,400
(c) ₹ 3,050 (d) ₹ 3,000 (1)

Q21. Accounting information should be comparable. Do you agree with this statement? Give two reasons. (3)

Q22. Explain the following terms:

- (1) Revenue from operation
(2) Non-current Assets (3)

Q23. Yamini started a business on 1st April, 2022 with a capital of ₹ 2,00,000 and a loan of ₹75,000 from State bank of India. During the year, she had introduced additional capital of ₹ 60,000 and had withdrawn ₹ 36,000 for personal purposes. On 31st March, 2023 her assets were ₹ 3,80,000. Find out her capital as on 31st March, 2023 and profit earned during the year 2022-23. (3)

Q24. Explain any three advantages of Accrual Basis of Accounting. (3)

Q25. What is a Journal? How is Opening and Closing Entries different from each other? Explain with suitable example. (4)

Q26. Prepare Sales Book from the following transactions of Mohan Traders dealing in furniture:

2023	
April 01	Sold to M/s. Gupta Furniture House, Delhi: 100 Chairs @ ₹ 1,500 per chair 40 Tables @ ₹ 2,000 per table Less: Trade Discount @ 5%
April 10	Sold to M/s. Ajit Singh & Sons, Kolkata: 150 Desks @ ₹ 1,000 per desk 160 Chairs @ ₹ 1,500 per chair Less: Trade Discount @ 5%
April 15	Sold to M/s. Ideal Furniture House, Darjeeling: 10 Sofa sets @ ₹ 75,000 each 5 Almirahs @ ₹ 3,000 each 25 Office Tables @ ₹ 4,000 each Less: Trade Discount @ 10%

(4)

Q27. With the help of following Entries prepare Ledger of Purchases and Rita only.

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
2023 April 1	Cash A/c To Capital A/c (Business started with cash)	Dr.	50,000	50,000
April 3	Purchases A/c To Rita (Goods purchased from Rita on credit)	Dr.	20,000	20,000
April 4	Rita To Cash A/c (Cash paid to Rita)	Dr.	10,000	10,000
April 6	Rohit To Sales A/c (Goods sold to Rohit on credit)	Dr.	25,000	25,000
April 8	Cash A/c To Rohit (Cash received from Rohit)	Dr.	20,000	20,000
April 12	Purchases A/c To Rita (Goods purchased from Rita on credit)	Dr.	12,000	12,000
April 18	Rita To Cash A/c (Cash paid to Rita)	Dr.	20,000	20,000
April 25	Rohit To Sales A/c (Goods Sold to Rohit)	Dr.	10,000	10,000
April 30	Cash A/c To Rohit (Cash received from Rohit)	Dr.	6,000	6,000

Q28. On which side the following accounts will be decrease also mention the nature of accounts:

- (1) Rent is due but not paid
- (2) Custom Duty
- (3) Loan (Dr.)
- (4) Accrued Interest (4)

Q29. What are Accounting Vouchers? Explain the Debit and the Credit Vouchers with suitable examples. (4)

Q30. Distinguish between Accounting and Accountancy. (Any two) (4)

Q31. Prepare a Bank Reconciliation Statement as on 31st March, 2022 from the following:

- (a) On 31st March, 2022, Cash Book of a firm showed bank balance of ₹ 36,000 (Dr).
- (b) Cheques had been issued for ₹ 30,000, out of which cheques of ₹ 24,000 were presented for payment.
- (c) Cheques of ₹ 8,400 were deposited in the bank on 28th March, 2022 but had not been credited by the bank. Also, a cheque of ₹ 3,000 entered in the Cash Book on 30th March, 2022 was banked on 3rd April, 2022.
- (d) A cheque from Suresh for ₹ 2,400 was deposited in the bank on 26th March, 2022 was dishonoured, advice was received on 2nd April, 2022.
- (e) Pass Book showed bank charges of ₹ 120 debited by the bank.
- (f) One of the Debtors deposited ₹ 3,000 in the bank account of the firm on 26th March, 2022, but the intimation was received from the bank on 2nd April, 2022. (6)

Q32. Aakash Ltd. had the following transactions in an accounting year:

- (a) Commenced business with cash ₹ 50,000.
 - (b) Purchased goods for cash ₹ 20,000 and credit ₹ 30,000.
 - (c) Sold goods for cash ₹ 40,000 costing ₹ 30,000.
 - (d) Salary outstanding ₹ 100.
 - (e) Bought furniture ₹ 5,000 on credit.
 - (f) Bought refrigerator for personal use ₹ 5,000.
- Create an Accounting Equation to show the effect of the above. (6)

Q33. Enter the following transactions in Two-column Cash Book of Reema, Chandigarh and find cash and bank balances:

2023		(₹)
April 1.	Cash balance ₹ 2,000, bank balance ₹ 24,500	
April 2	Cash sales	60,000
April 5	Deposited in Bank	50,000
April 7	Issued a cheque to Sohan	10,000
April 12	Received a cheque from National Insurance Co. Ltd. against claim lodged last year	19,800
April 14	Sold goods to Niraj of ₹ 25,000, received cash ₹ 10,000 and balance by cheque	
April 16	Purchased Furniture by cheque	10,000
April 18	Sold old Furniture for cash	10,000

April 20	Paid into bank cheque of Niraj along with cash ₹ 2,500	
April 22	Paid to Suman by cheque	2,500
April 26	Suman's cheque returned on technical ground and paid cash for equal amount	
April 26	Bank debited bouncing charges	300
April 29	Bank paid insurance premium as per standing instructions	2,500
April 30	Nigam paid into bank directly, intimation received on the same day	4,000

(6)

Q34. Journalise the following entries:

- (a) Bina Watch Company, Delhi purchased 25 Pieces of Time Star brand watches from Pioneer Watches, Delhi at list price of ₹ 2,000 per pieces less 10% trade discount and cash discount of 2% on payment within 15 days from the date of the transaction. Bina watches company settled the payment within 15 days. Pass the journal entries in the books of Bina Watch Company.
- (b) Sold goods to Ankit, Agra (UP) for ₹ 2,00,000 less 10% trade discount plus IGST @ 18%. Received half the amount by cheque immediately and allowed 2% cash discount.
- (c) Rent paid by cheques for business premises ₹ 10,000 plus CGST and SGST @ 9% each.
- (d) Depreciation is charged @ 5% p.a. on Machinery ₹ 5,00,000 for 3 months.
- (e) Goods destroyed by fire value of ₹ 21,750.
- (f) Interest is charged on Drawings ₹ 1,840.

(6)