

Half Yearly Examination 2017-2018

Std. : XI
Subject : ACCOUNTS

Full Marks : 80
Time : 3 Hrs+15mins.

Part-I

[Answer all the questions briefly] [10x2=20]

- Q1. 1. What is the treatment of interest on capital in final A/c, Pass the journal entry.
2. Distinguish between provision and reserve.
3. What is Deferred revenue expenditure.
4. Depreciation is a charge against revenue whether the business makes profit or incurs loss explain.
5. Give four causes of difference in the Cash Book balance and Pass Book balance.
6. Is trial balance merely a proof of Arithmetical accuracy ? What are the errors which are not disclosed inspite of the agreement of Trial Balance.
7. What is a ledger ? Why it is called book of final entry.
8. Distinguish between debit note and credit note.
9. What do you mean by imprest system of petty cash book ? What are its advantages.
10. Is it possible to pass a single journal entry for two or more transaction-discuss.

Part-II [any five] [12x5=60]

- Q2. a. From the following prepare a trial Balance [5]
(Amount Rs.)
- | | |
|-------------------------|---------|
| Opening stock | 480000 |
| Cost of goods sold | 2540000 |
| Closing stock | 530000 |
| Sales | 3300000 |
| Debtors | 360000 |
| Creditors | 250000 |
| Interest on loan | 1500 |
| Bank overdraft | 10000 |
| Loan from Bank | 100000 |
| Interest on investments | 5000 |
| Casringe outward | 2000 |
| Provision for baddebts | 3000 |

General reserve	15000
Petty cash	300
Lease hold premises	50000
Rent from subletting	800
Shop fittings	20000
Bills payable	8000
Bills receivable	7000
Return inward	900

Q2. b. A company purchased on 1st April 2013 a plant for Rs. 90000. On 1st July 2014 it purchased additional plant costing Rs. 50000. On 1st December 2015, half of the plant purchased on 1.4.2013 was sold for Rs. 38000, and on the same day another plant was purchased for 75000/- and spent Rs. 5000 for installation. Depreciation is provided at 10% per annum of the Diminishing Balance method every year. Accounts are closed each year on 31st March prepare plant A/c for four years. [7]

Q3. a. Enter the following transactions in a Three Column Cash Book : —

April 2016

1. Cash balance 18000, Bank overdraft 20000/-.
 2. Sold goods to x on credit for 15000/- at 10% trade discount.
 6. Sold goods for Rs. 30000 received a cheque from them for 15000/- and the balance amount in cash, allowed 2½ cash discount, the cheque was deposited into bank on 10th April.
- April 11. Purchased goods on credit for Rs. 20000 terms 5% cash discount if the payment is made within four days.
- April 14. Payment made for the above party.
- April 16. Received a bank draft for Rs. 6820 from a customer in full settlement of Rs. 7000, sent the draft to the bank of the same day.
- April 17. Settled Rams account of Rs. 5000 at a discount of 5%.
- April 18. Withdrawn from Bank Rs. 20000 and furniture was purchased for Rs. 15000, the balance taken by the proprietor.
- April 20. Received a cheque from Ravi for 3850 in full settlement of Rs. 4000, endorsed the cheque to Shayam in settlement for 4200.
- April 23. Furniture purchased for 3000.
- April 25. Cash sales Rs. 15000, half of which was deposited into bank.
- April 28. Cashed a cheque for Rs. 10000. [8]

- b. Prepare sales book, Cash Book and purchase book of M/s Deendayal from the following transactions:— [4]

2016 June

- 7 Purchased from Aroa & Co.
10 chairs @ Rs. 200 each
1 table for Rs. 600
trade discount 10%
10. Sold to Sudha Furniture Co., Agra
2 Almirahs @ 2000/- each less 15%
12. Sold to meera mart for cash
10 tables @ Rs. 1000 each
15. Purchased from Hira Lal & Sons for cash
15 chairs @ Rs. 350 each.
16. Purchased from Fateh Chand & Co.,
5 chairs @ Rs. 180 each.
25. Sold to Ravi Sharma Delhi
2 dining tables @ Rs. 6000 each less 10%.

- Q4. a. Prepare Ram's Account from the following details.

2017		Rs.
May 1.	Opening Balance (Dr.)	9200
5.	Sold goods to him	35000
10.	Goods returned by him	1500
14.	Received cash from him	17000
15.	Received a cheque from him	15000
	discount allowed	250
17.	Sold goods to him for cash	1500
18.	Ram settled his account by issuing a cheque after deducting a discount of Rs. 200	

- b. On 31-3-2015, the bank column of the Cash Book of Mr. Rajesh showed a debit balance of Rs. 5200. On examining the pass book you find that;

1. Cheques of Rs. 20000 were sent to bank for collection; out of these cheques of Rs. 4000 and of Rs. 5000 were credited on 5th and 6th April and the remaining cheques were credited before 31st March.
2. A cheque for Rs. 7500 received from a customer although entered in the bank column of the cash book, was omitted to be paid into the bank.
3. Cheques drawn for Rs. 25000 were not presented for payment.

4. Credit side of the bank column of the cash book was overcast by Rs. 100.
5. A Bills payable for Rs. 3600 has been paid by the bank, but not yet recorded in the cash book.
6. No entry has been made in the cash book to record the dishonour on 28th march 2015, of a cheque for Rs. 5400 received from a customer.
7. A cheque for Rs. 2500 issued to a creditor was wrongly entered in the cash column of the cash book.
8. In the cash book, bank charges of Rs. 200 were entered twice while another bank charge of Rs. 500 was not recorded at all.

You are required to show the necessary corrections in the cash book and to prepare a statement reconciling the amended cash balance with that shown in bank pass book as on 31.3.2015. [8]

- Q5.** From the following trial balance extracted from the books of Mr. Sagar, prepare a Prading and profit & loss A/c. for the year ended 31-3-2017 and a Balance Sheet as at that date : [12]

Dr. Balance		CR Balance	
Purchases	330000	sales	530000
Rent paid	7480	returns	8000
Wages	33000	creditors	37000
Salaries	30800	discount	3000
Power	5400	capital	200000
Stock 1-4-2016	15000	miscellaneous	
Stock on 31-3-2017	36000	income	3060
Charity	500		
Debtors	53000		
Furniture	8000		
Motor car	200000		
Motor car expense	18000		
Insurance	3600		
Unexpired insurance	600		
drawings	5000		
Cash Balance	34680		
	781060		781060

Informations :—

1. Goods costing Rs. 2000 were taken away by the proprietor for his personal use and goods costing Rs. 1500 were given away as charity.

2. Expenses for wages, rent and salaries are uniform throughout the year and those for march have not been paid.
3. Motor car is used partly for business and partly for personal use. Hence $\frac{1}{2}$ of the car expenses including car depreciation is to be treated as personal expenses of the proprietor.
4. Provide 10% depreciation on furniture and 20% on motor car.
5. Provide for manager's commission at 5% on net profit after charging such commission.
6. Write off bad debts amounting to Rs. 2000. create a provision of 5% for doubtful debts and 2% for discount on debtors assuming that 13000 included in debtors are definitely good.
7. Allow 5% interest on capital.

Q6. a. Prepare an analytical petty cash book on the imprest system from the following :— [5]

2016 Jan 1. Balance in hand 1349

Received from main cashier the remaining amount to make the imprest amount to Rs. 5000.

	Amt.
Jan 2. Paid bus fare	Rs. 50
Paid cortege	Rs. 150
Paid for courier	Rs. 100
Paid for stationery	Rs. 200
Paid auto charges	Rs. 100
Paid for repairs	Rs. 250
Paid for refreshment to customers	Rs. 150
Paid for milk and tea for office tea	Rs. 200

b. Pass Adjusting journal entries. [7]

1. Expenses outstanding Rs. 250
2. Income received in advance Rs. 1000.
3. Entries for depreciation on assets Rs. 2000.
4. Stocks costing 8000/- were destroyed by fire. The stock was insured and insurance co., admitted a claim of Rs. 6000.
5. Closing stock for the year ended 20000/-
6. Prepaid insurance Rs. 100.
7. Interest receivable Rs. 500

7. Pass journal Entries :— [12]

2017

March 1. Business started with cash Rs. 4300, Bank Rs. 15000, Debtors 25000, creditors 7000, stock Rs. 9200, loan 10000 and sundry assets 50000.

- March 2. Received cash from Ram for a bad debt written off last year Rs. 100.
- March 3. Bought goods at the list price of Rs. 25000 from mohan, less 20% trade discount and 2% cash discount and 40% paid by cheque.
- March 4. Sold 3/4th of the above goods at 30% profit on credit, allowed 5% trade discount.
- March 5. Received Rs. 975 from Hari in full settlement of Rs. 1000.
- March 6. Salary for the month remain unpaid Rs. 3000.
- March 7. Interest received from bank Rs. 500.
- March 8. Bank informed that a customers cheque for Rs. 2500 dishonoured.
- March 9. Received an advance for goods along with advance of Rs. 1000 in cash from Mahesh—5000/-
- March 10. Depreciation of Rs. 500 was provided on the machinery at the end of the year.
- March 11. Out of the rent paid this year, Rs. 2000 relates to the next year.
- March 12. Paid Rs. 5000 for installation of a plant.

Q8. From the following balances extracted from the books of Mr. Amit prepare final A/c.

Final Balance as at 31-3-2016

Dr. Balance		CR Balance	Amt. Cr.
Drawings	7500	Capital	50000
Purchases	72100	sales	95000
Returns	1300	returns	2700
Debtors	18200	creditors	35750
Op. stock	19800	B/P	23000
Bad debts	3000	Discount	2910
B/R	12000		
Cash	300		
Office expenses	6210		
Delivery Van	15000		
Van Expenses	1400		
Rent & taxes	10700		
Telephone charges	1050		
Postage	950		
Furniture	5000		

Printings stationery	2750
Commission	8400
Carriage	3200
Salaries wages	20500
	209360

209360

Adjustments :—

1. Closing stock Rs. 61700 market value 75000/-.
2. Depreciate fixed assets by 10% p.a.
3. Outstanding rent Rs. 900.
4. Bad debts Rs. 200, provide 5% for doubtful debts.
5. Salaries & wages out standing 1000/- charge 1/5th of salaries wages to trading A/c.
6. A new machinery was purchased on credit and installed on 31.12.15 costing Rs. 50000. No entry for the same has yet been passed.
7. Debtors include an item of Rs. 500 due from a customer who has become insolvent 50% of the amount can be collected later.

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