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Half Yearly Examination 2018-2019

Accounts

Class : XI

Time : 3 hrs.+15mints. **Full Marks : 80**

PART I

(Answer all questions)

Question I **[10x2=20]**

1) Define Wasting Assets.

2) Explain any two errors which do not affect the agreement of Trial Balance.

3) What do you mean by implied interest?

4) Why should a business follow Consistency Concept of Accounting ?

5) Differentiate between the book of original entry and the book of final entry.

6) 'A cash book is a journalised ledger'. Justify.

7) Explain the two ways of Marshalling of Balance Sheet.

8) The net profit of the firm amounted to Rs. 10500 before charging manager's commission. The manager of the firm is entitled to a commission of 5% on the net profit after charging his commission. Pass the adjusting entry for recording manager's commission.

9) What is meant by Accrual Basis of Accounting?

10) A company has purchased a machine for Rs. 90,000 and spent 6000 on its carriage. On the same day it occurred further expense as wages and erection Rs. 4,000. The

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estimated life of the machine is 10 years. The expected salvage value is Rs. 20,000. Calculate the annual depreciation under fixed instalment method by using appropriate formula.

PART II [5x12=60]

(Answer any ***five*** questions)

Question II

1) Prepare a Triple Column Cash Book from the following particulars :- **[10]**

2018

1/2 Cash in hand Rs. 12,500, bank overdraft Rs. 5,000

5/2 Introduced further cash Rs. 25,000 of which Rs. 20,000 were deposited in to bank.

9/2 sold goods to Nikhil on credit Rs. 5000

10/2 Received cheque from Nikhil after deducting 10% discount.

13/2 Cheque received from Nikhil endorsed to Raju in full settlement of his account Rs. 4,700. Sold goods worth Rs. 5,000 to Sen at 2% cash discount, for which he gave a cheque and deposited the cheque into bank.

16/2 Paid rent Rs. 500 to Chawla by cheque and salary Rs. 2000 to Rahim by cash.

18/2 Cheque of Sen returned dishonoured and bank charged Rs. 10 as bank charges.

19/2 Received the amount of returned cheque and bank charges from Sen by cash.

22/2 A dividend of Rs. 2000 collected and interest paid Rs. 200 yet to be recorded.

18/1 Bought from Hari Ram
100 dozens of pens @ Rs 10 per pen
TD 12%

20/1 Bought a type writer from Raja and Company for Rs. 600

22/1 sold to Rishi Kumar
300 registers @ Rs. 90 each
50 Reams of paper @ Rs. 300 each
TD 10%

24/1 Returned to Uma Dutt 82 Registers.

25/1 Purchased stationeries including pencil and eraser from Baluja for Rs, 3000 and payment is made immediately

26/1 sold old news papers for Rs 150.
Purchased from Rehman Bros. On credit
120 pencils of Rs. 60 per dozen.

28/1 Purchased from Gupta Stationary shop 10 dozens of note book @ Rs 10 per dozen.

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c) Increase bad debts to Rs. 225 and 5% provision for doubtful debts to be created

d) Stock costing Rs. 1000 was destroyed by fire. The insurance company admitted to a claim of 40% of the loss

e) Salary has been paid for 11 months. Depreciate furniture @ 10%

f) Write off 1/5th of the patent. Rs. 250 paid for taxes is included in the building.

Question VIII

From the following prepare Purchases Book, Purchases Return Book, Sales Book and Sales Return Book. Assume CGST and SGST @ 9% each and all transactions are taken place within the state. [12]

2018

1/1 Bought from Uma Dutt on credit
1,000 Registers @ Rs 80 each
50 Reams of paper @ Rs 250 per ream
Trade Discount 25%

2/1 Sold to Shri Dayal
250 Registers @ Rs 85 each
5 Reams of paper Rs 300 per Ream

8/1 bought from BILT
100 Reams of ruled paper @ Rs 600 per ream
15% Trade Discount

12/1 Shri Dayal returned 35 registers due to some defects.

13/1 sold to Gupta Brothers
20 copies double entry book keeping @ Rs. 85 each
TD 2.5%

23/2 Paid Rs. 5,000 by cheque for cash purchases.

25/2 Sudhir who owed us Rs. 8,000 become bankrupt and paid us Rs. 40 paisa in a rupee.

28/2 Cash in excess of Rs. 1,000 was deposited in to the bank.

2) Record the following transactions in the books of Harinder Bros, charging CGST and SGST @ 9% each **[2]**

a) Bought goods from Mr. Kumar Rs. 2,00,000 at 10 % Trade Discount and 3% cash Discount. 40% of the amount paid at the time of purchase.

b) Paid Rs. 6,000 for rent by cheque.

Question III

1) Oza Modern chemicals were unable to agree the trial balance on 31st March 2017 and had raised a Suspense account for the difference. Later the following errors were discovered and rectified and suspense account was balanced.

a) Discount amounting to Rs. 30 allowed to a customer, had been posted to discount received account.

b) A bill of exchange received from Gupta Rs. 2,000 had been had been returned by the bank as dishonoured and had been credited to the bank and debited to bill receivable account.

c) Rs. 2,740 paid for Repairs to motor car were debited to motor car account as Rs. 1,740.

d) Old furniture sold on credit for Rs. 5,400 has been recorded in the sales account as Rs. 4,500.

e) The total of purchase return book Rs. 2,100 has not been posted.

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f) Sales Book was overcast by Rs. 2,200.

g) Rs. 260 appearing in the cash book as paid for the purchase of stationery have not been posted to ledger.

h) A credit sale of Rs. 126 to Ramesh was entered in the books as Rs. 162.

You are required to pass journal entries to rectify above mistakes and draw up the suspense Account **[10]**

2) Calculate closing stock from the following details :- [2]
Opening sock Rs. 20,000, Cash Sales Rs. 60,000, Credit Sales Rs. 40,000, purchases Rs. 65,000, carriage Rs. 3,000, wages Rs. 2,000, rent Rs. 2,500. Rate of Gross profit is 25% on cost.

Question IV

1) From the following balances extracted from Pallavi, prepare a Trial Balance as on 31st March 2018. **[8]**

Owners contribution	2,00,000	Bank charges	25
Bank loan	35,000	Opening stock	15,000
Account Payable	20,000	Return inward	3200
Customers discount	5,00	Purchases	1,85200
Sales	2,51,000	Bills Receivable	14,000
Supplier	21,200	Rent from sublet	1700
Premises	80,000	Closing stock	12,000
Interest on loan	1,200	Carriage outward	100

2) From the following particulars given below, show the account of Bharat in the books of Dulquer **[4]**

Trial Balance as at 31st March 2017

Particulars	**LF**	**Debit (Rs)**	**Credit(Rs)**
Furniture and fittings		640	
Land and building		13750	
Capital			13500
Bad debts		125	
Provision for bad debts			200
Debtors and Creditors		3800	5350
Purchase and Sale		5475	15450
Returns		200	125
Commission			375
Cash		918	
Taxes and insurance		1250	
Depreciation on building		1082	
Salaries		3300	
Patents		2000	
5% bank loan			2000
Input IGST		5000	
Output IGST			4000
Stock on 1st April 2016		3460	
TOTAL		**41,000**	**41,000**

The following adjustments are to be made:

a) Rs 500 purchase returns included in sales.

b) Stock in hand on 31st March at cost price was Rs. 3250 and the market price was Rs. 3000

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2016

1/3 Balance due from Bharat Rs. 2,000

9/3 sold to Bharat 5 dozens of table lamp at Rs. 25 per lamp, less 20% Trade Discount

10/3 Bharat paid the amount due from him till date by cheque and enjoyed 5% discount

11/3 Bharat has bought two tables of Rs. 500 each.

He has accepted 2 months bill for the purchase made by him.

12/3 sold furniture to Bharat for Rs. 3000 and he settled this transaction immediately.

15/3 Bharat become insolvent and nothing could be realised from his estate.

Question V

Jana Ltd. purchased a machine on 1st July 2010 costing Rs. 25,000 and spent Rs. 5000 on its installation. It purchased further machine on 1st January 2011 at Rs. 20,000 and on 1st October 2011 for Rs. 10,000. On the day of 3rd machine purchased, company has spent Rs. 4,000 on machine which is bought on 1st July as repairs and renewals. On 1st April 2012, one third of the machine installed on 1st July 2010, become obsolete and was sold for Rs. 3000. on the same date a second hand machine purchased for Rs. 13500 and spent Rs. 350 immediately for repairs.

Show Machinery Account and Depreciation Account in the books of the company till 1st April 2013. It being given that machine was depreciated by Diminishing Balance Method at 10% p.a. the company closes its book on 31st March every year. [12]

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Question VI

Journalise the following transactions in the books of Gurpej. [12]

1) Gurpej started business with cash Rs. 50,000, motor car Rs. 75,000.
2) Paid insurance premium Rs. 17,000 out of this Rs. 8,000 is for life insurance.
3) Received a cheque for Rs. 950 in full settlement of Rs. 1000
4) Purchased furniture for resale Rs 8,000
5) Gurpej has bought a new computer valued Rs. 18000 which is for his private use.
6) Charge interest on drawing @6% on Rs. 4000
7) Sold furniture of the book value Rs. 5250 for Rs. 4120
8) Commission received in advance is Rs. 270
9) The owner borrowed loan from his friend Rs. 50,000 of which he has invested Rs. 22000 in business.
10) Out of rent paid 1200 on 28th February Rs. 300 is for next month.
11) Goods distributed as free sample Rs 250.
12) Received an order from a customer for Rs. 15,000, and could deliver goods for Rs 7000

Question VII

From the following balances as at 31st March 2017, you were required to prepare Trading Profit and Loss Account and Balance Sheet. [12]

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