THIRD TERM EXAMINATION 2025-26 (English Medium)

Class - XI

Time : 3 hrs.

ACCOUNTANCY

M.M.- 80

(Candidates are allowed additional 15 minutes for only reading the paper) The marks intended for questions are given in brackets [ ].

The question paper contains two parts;Part I and Part II.

Part-I is compulsory for all students and there are internal choices provided in Part-II

Part-I

(Multiple choice and short answer questions)

1. In Sub-parts (i) to (vi), choose the correct option and in subparts (vii) to (xiv) answer the questions as instructed:

i) Given below are two statements ,one labelled as Assertion(A) and other labelled as Reason(R).

Assertion (A): all accounts which have not been closed till preparation of the profit and loss account are shown in the balance sheet.

Reaaon (R): Assets and Liabilities shown in the Balance Sheet are marshalled in order of liquidity or in order of permanence.

(Based on the above statements, which of the following options is correct?). (1)

a) Both Assertion and Reason are true and Reason is the correct explanation for Assertion.

b) Both Assertion and Reason are true but Reason is not the correct explanation for Assertion.

c) Assertion is correct and Reason is not correct.

d) Assertion is not correct but Reason is correct.

ii) A businessman purchased goods for Rs. 30,00,000 and sold 80% of such goods during the accounting year ended 31st March 2025. The market value of the remaining goods was Rs. 5,00,000.He valued the closing stock at Rs. 6,00,000.He has violated: (1)

a) Maney Measurement Concept

b) Conservatism or prudence concept

c) Consistency concept

d) Accounting entity concept

(P.T.O.)

iii) Daksh accepted a bill drawn by Jatin who endorsed the bill in favour of Vidit.On the due date, the bill is dishonoured. To record the dishnonour of Bill in the books of Jatin, which of the following account will be credited: (1)

a) Daksh's Account b) Bills receivable account
c) Vidit's Account d) Bills payable account

iv) A Reserve is:(1)

a) An appropriation of profit b) Charge against profit
c) Capital expenditure d) Revenue expenditure

v) Which of the following error will not be revealed by trial balance:(1)

a) Wrong totalling in the books of original entry.
b) Wrong balancing in the cash book.
c) Wrong carrying forward in the book of original entry.
d) Posting a correct amount in the wrong account but in the correct side.

vi) Revenue expenditure, if accounted as capital expenditure will result in: (1)

a) Profit being understated
b) Profit being overstated
c) Capital expenditure being overstated
d) No effect

vii) Whether the following statement is true or false: (1)
In a cash book, cash discount received is recorded on the debit side of cash book and cash discount allowed is recorded on the credit side of cash book.

viii) When should revenue be recognised? (1)

ix) All accounts are balanced at the end of the year. Is it correct? (1)

x) Differentiate Revenue Reserve and Capital Reserve on the basis of source. (1)

xi) How are two sided errors rectified? (1)

xii) Name the book of original entry ~~wear~~ where in each of the following will be recorded:

a) Good sold for cash were returned by a customer but cash was not given immediately. (1)
b) Machine sold on credit was returned by a customer. (1)

xiii) What do you mean by Deferred Revenue Expenditure? (1)

xiv) Calculate the interest at the rate 12% per annum in case a 3 months bill of Rs. 5000 was dishonoured , noting charges were Rs.100 and bill is being renewed for 4 months. (1)

Part-II

2. A bill receivable for rupees 11000 which had been discounted at Rs. 9500, is dishonoured and bank paid Rs. 200 as noting charges. Give Journal entries to record above transactions in the books of drawer and drawee. (3)

OR

In the year ended 31st March 2025, subscriptions received were Rs.2,10,000. These subscriptions include Rs.3000 for the year ended 31st March, 2024 and Rs.4000 for the year ended 31st March 2026. On 31st March 2025, subscriptions due but not received were Rs.5000. The corresponding amount on 1st April 2024 was Rs.6000. What amount will be credited to the Income and Expenditure Account as subscription for the year ended 31st March 2025?

3. From the following information, calculate Operating Profit:
Net profit: Rs.500000, Rent received: Rs.50000, Salary paid: Rs.20000, Gain on sale of machinery: rupees 75000, Interest on loan: rupees 100000, Donation: rupees 10000, Cash Discount received: rupees 2000.(3)

4. How wil the following items recorded in a Three Column Cash Book? (3)

2025, April 1	Purchase machinery from Aakash for Rs.25,000 and paid by bank draft taken from Bank paying Bank charges of Rs. 250.
April 2.	Discounted a bill of rupees 10,000 at 1% through Bank.
April 5	Honoured our acceptance in favour of Shiv by cheque Rs.16,000.

5. Journalise the following transactions: (3)

a) Sold goods to Zoya for Rs. 10,00,000 less 10% Trade discount plus CGST and SGST @ 9% each. Received 60% amount by cheque immediately and allowed 2% cash discount.

b) Purchased goods from Vidit of Rs.2,50,000 less 10% Trade Discount plus CGST and SGST @ 6% each. Paid 80% amount by cheque immediately and availed 3% cash discount.

6. 2020, Jan 5. Returned by Arshil & Sons, Meerut: 10 Table fan @ Rs. 750 each. Trade discount 10%.

2020, Jan. 10. Returned to Jatin & sons, Kolkata: 5 Rohtas fan 36 inches @ Rs.950 each. Trade discount 10%.

2020, Jan. 25. Returned to Shiv& company, Mumbai : 12 Tubelights @ Rs.150 each.

From the above information of Singhal Electronics, you are required to prepare appropriate Subsidiary Books. (3)

7. "Case Study Based Question"

Accountant of the firm M/s Bhatnagar Enterprises is disappointed to know that the total of the two sides of the Trial Balance prepared as at 31st March, 2025 do not match. After conducting a detailed analysis, he noticed only one error. Specifically, the balance of Office Equipment Account has a debit balance of rupees 39,000 in the Trial Balance. However, he has figured out that a correctly recorded credit purchase of pen drive for rupees 2500 was posted from the Journal in the Ledger as rupees 2,500 debit to Office Equipment Account and another rupees 2,500 debit to Creditor's Account.

Answer each of the following questions and present the amount of any misstatement:

i) Is the balance of Office Equipment Account overstated, understated or correctly stated in the Trail Balance? (1)

ii) Is the balance of the Creditor's Account overstated, understated or correctly stated in the Trial Balance? (1)

iii) Is the total of debit column of Trial Balance overstated, understated or correctly stated? (1)

iv) Is the Credit column total of the Trial Balance overstated, understated or correctly stated? (1)

v) If the debit column total of trial balance is rupees 6,00,000 before rectifying the errors, what is the total of credit column? (2)

8. From the following information, you are required to calculate Gross Purchases and Gross Profit. (6)

Particulars	Rs.
Net sales	1,00,000
Opening stock	32,000

10. Manasvi sold goods to Aaradhya for Rs.35000 on January 1st 2018. Manasvi received Rs.5000 at a time and drew upon her a bill for Rs.30000 for 4 months. Aaradhya accepted the bill and returned it to Manasvi. On the same date, Manasvi discounted the bill with her bank @ 10% per annum. The bill was dishonoured on the due date and the bank paid Rs.150 as noting charges. Manasvi agreed to accept a sum of Rs.15900 in cash from Aaradhya and agreed to draw two new bills on her; one for Rs. 9000 for two months and the other for Rs.6000 for 3 months in full satisfaction of her claims. Aaradhya accepted the bills and returned to Manasvi. Manasvi endorsed the first bill to Alfiya and the same was duly paid on maturity. The second bill was dishonoured as Aaradhya became insolvent and a dividend of 25 paise in a rupee was received from her estate.

Pass journal entries in the books of Aaradhya and prepare Manasvi's Account. (6)

11. Chaturvedi Food Court has following balances in its different GST accounts;

Particular	IGST (Rs.)	CGST (Rs.)	SGST (Rs.)
Input GST	1,25,000	1,50,000	1,50,000
Output GST	2,00,000	1,00,000	1,00,000

Show how Input GST will be adjusted against Output GST and which accounts will have the balances. Pass the Journal Entries for set-off of GST. (*Show ur workings clearly).* (6)

OR

Verma & Vishnoi Enterprises has following balances in its different GST accounts;

Particular	IGST (Rs.)	CGST (Rs.)	SGST (Rs.)
Input GST	3,25,000	1,75,000	1,75,000
Output GST	2,75,000	1,25,000	1,25,000

Show how Input GST will be adjusted against Output GST and which accounts will have the balances. Pass the Journal Entries for set-off of GST. (Show ur workings clearly).

12. Following balances exist in the books of M/s Bishnoi Enterprises as on 1st April 2024:

Last

Machinery Account: Rupees 8,00,000

Purchase return	12,000
Fuel & Power	3,000
Closing stock	1,000
Advertisement	4,000
Gross profit	30% on cost

OR

Enter the following in the books of M/S. Tagra Electronics, Bijnor to close their accounts on 31st March 2025. Pass the closing entries;

Opening stock Rs. 20000, purchases Rs.60000, salaries Rs.16000 wages Rs.12000, sales Rs.88000, Freight Inwards Rs.4000, purchases return Rs.2000, sales return Rs.3000, carriage outwards Rs.2500, rent Rs.3000, insurance Rs.1000, Discount allowed Rs.2000, discount received Rs.1000, repairs 1000, electricity Rs.1500, commission received Rs.4000, interest on investment Rs.1800, interest (debit) Rs.1000, closing stock Rs.40000.

9. Trial balance of Manasvi could not be tallied. The accountant transferred the difference of Rs.27,150 in the suspense account on the debit side. The following errors were identified later. Rectify these errors by passing journal entries and prepare suspense account. (6)

i) Purchase of Rs.3050 from Kishore was entered in the sales book but Kishore's personal account was rightly credited.

ii) Sale of old furniture of Rs.12.500 was credited to sales account as Rs.1250.

iii) Goods returned to Rajesh Rs.40,000 was posted to the credit of Rahul as Rs.35,000.

iv) Credit Sales to Raju Rs.15,000 were recorded in the purchase book. However, the account of Raju was correctly debited.

v) Good returned to Rakhi for Rs.3,600 were recorded in the sales return book. However, Rakhi's account was correctly debited.

vi) Credit Purchase from Amit for Rs.2300 were posted to the debit of Parveen as Rs.3,200.

Provision For Depreciation Account: Rupees 3,10,000
On 1st July 2024, a machine which was purchased on 1st April 2021 for Rs.1,20,000 was sold for rupees 50,000 and on the same date another machinery was purchased for Rs.32,000. The firm charges depreciation @ 15% per annum on the book value and closes its book on 31st March every year.
For the year ended 31st March 2025, you are required to Prepare:

a) Machinery Account (5)

b) Provision For Depreciation Account (5)

13. Given below is the Receipts & Payments Account of Lions Club for the year ended 31st March, 2024:

RECEIPTS & PAYMENTS ACCOUNT
for the year ended 31st March, 2025

Receipts	Rs.	Payments	Rs.
To Balance b/d.	41000	By Salaries	24000
To Subscriptions: 2021-22 2024-23 2025-24	 1600 82000 2400	By Rent	3000
To Donations	21,600	By Sundry Expense	18,000
To Sale of Tickets.	38,000	By Magazine	6000
To Sale of Waste Paper	1,800	By Municipal Taxes	1600
		By Charity	14000
		By Investments	80000
		By Electricity Charges	5800
		By Balance c/d.	36000
Total	1,88,400	Total	1,88,400

Prepare the Club's Income & Expenditure Account for the year ended 31st March, 2025 and the Balance Sheet as at that date after taking the following information into consideration:

i) There are 500 members, each paying an annual subscription of 200; 2,000 still in arrears for 2023-24.

ii) Municipal taxes @ 1,200 p.a. had been paid up to 30th June, 2025 and 2,000 for salaries are outstanding.

iii) Building stood in the books at 2,00,000 in the beginning of the year.

iv) 6% interest has been accrued on investments for 5 months. (10)

OR

From the following Trial Balance of M/S. Devrani Enterprises as at 31st March, 2024, prepare Trading Account, Profit & Loss Account and Balance Sheet:

Dr. Balances	Rs.	Cr. Balances	Rs.
Opening stock	15500	Capital	70000
Land and building	35000	Loan from Areeba @ 9% p.a.	30000
Machinery	50000	Sundry Creditors	9600
Furniture and Fixtures	5000	Purchases Return	2100
Purchases	106000	Sales	207300
Salaries	11000	Discount received	1200
General Expenses	2500	Salaries Outstanding	10000
Rent	3000		
Postage expenses	1400		
Stationery	1300		
Wages	26000		
Freight on purchases	2800		
Carriage on sales	4000		
Repairs	4500		
Sundry debtors (including Mohan for dishonored bill of rupees 800)	30000		
Bad debts	600		
Cash in hand	14100		
Cash at Bank	12400		
Sales Return	5100		
Total	330200	Total	330200

Following further information is given:

i) Wages for March 2025, Rs.2100 have not yet been paid.

ii) General Expenses includes Insurance premium of Rs.600 paid in advance for the next year.

iii) Half the amount of Mohan's bill is irrecoverable. Create a provision for doubtful debts @ 5% on the other debtors.

iv) Depreciation is to be charged on:
Land & Building @2%, Machinery @10% and Furniture and Fixtures @15%.

v) Loan from Areeba was taken on 1st October 2024. Interest has not yet been paid

vi) Value of Stock at hand on 31st March 2025 was Rs.14900.

vii) Manager is to get commission of 10% of the net profit after charging such commission.

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