

COUNCIL OF CBSE AFFILIATED SCHOOLS IN THE GULF

GULF SAHODAYA EXAMINATION – MARCH 2011

CLASS XI – ACCOUNTANCY

Date : 09 MAR 2011

Max. Marks : 100

Code : 110303

Duration : 3 Hours

General Instructions

1. All questions are compulsory.
 2. Marks for each question are indicated against it.
 3. Draw proper columns wherever required.
 4. Follow proper format of accounting.
 5. Avoid cutting, overwriting and using calculators.
-

PART A – FINANCIAL ACCOUNTING I

1. Give any one example of error of partial omission. 1
2. What are the methods of preparing Trial Balance? 1
3. What do you understand by accommodation bill? 1
4. What do you understand by retiring of a bill of exchange? 1
5. If a firm is following the straight line method of depreciation one year, then it should follow the same method next year also. Identify the concept. 1
6. Explain the following briefly with example. 3
a) Revenue b) Expenses c) Voucher
7. Show the effect of the following transactions on Accounting Equation. 3
 - i) Started business with cash Rs.70000 and goods Rs.30000
 - ii) Interest due but not paid Rs.200
 - iii) Accrued interest Rs.1000.
 - iv) Commission received in advance Rs.1250
 - v) Interest on drawings Rs.250
 - vi) Withdrawn by owner for personal use Rs.5000

8. Pass journal entries for the following: 3
- i) Cash paid for installation of machine Rs.1000.
 - ii) Paid Rs.2700 to Ibrahim in full settlement of Rs.3000
 - iii) Goods withdrawn for personal use Rs.10,000
9. Explain the qualitative characteristics of accounting equation. 4
10. Distinguish between Provision and Reserve. 4
11. Prepare a double column cash book from the following transactions: 4
- 1.1.10 Commenced business with cash Rs.100000
 - 2.1.10 Deposited into bank Rs.80000.
 - 3.1.10 Bought goods by cheque Rs.50000
 - 5.1.10 Sold goods for cheque Rs.40000 and deposited into bank the same day.
 - 5.1.10 Paid to Arun by cheque Rs.3800 in full settlement of his a/c Rs. 4000.
 - 6.1.10 Drew from bank for office use Rs.2000.
12. Explain the following with examples. 4
- a) Going concern concept
 - b) Revenue recognition concept
 - c) Principle of conservatism
13. Prepare a Bank Reconciliation Statement of M/s Sharuk Bros. as on 30th June 2010, from the following information. 4
- a) Payment of a cheque for Rs.550 was recorded twice in the pass book.
 - b) Withdrawal column of the pass book under cast by Rs.200
 - c) A cheque of Rs.200 has been debited in the bank column of the cash book but was not sent to bank at all.
 - d) A cheque of Rs.300 debited to Bank column of the pass book was not sent to the bank.
 - e) Rs.500 in respect of dishonored cheque was entered in the pass book but not in the cash book.
 - f) Overdraft as per pass book is Rs.20000.
14. Rectify the following errors. 6
- a) Discount allowed to Ramesh Rs.60 on receiving Rs.2040 from him was not recorded in the books.
 - b) Discount received from Rohan Rs.50 on paying Rs.3250 to him was not

posted at all.

- c) Rs.700 received from Khalil, a debtor whose account had earlier been written off as bad were credited to his personal account.
- d) Cash received from Govil, a debtor Rs.5000 was posted to his account as Rs 500.
- e) Goods returned to Mahesh Rs.700 were posted to his account as Rs 70.
- f) Bills receivable from Narayan Rs.1000 was dishonored and wrongly debited to allowances account as Rs.10,000.

15. M/s Vaibhav ltd. purchased a machine for Rs.600000 on 1st Oct 2008. 8
On 1st July 2009, it had purchased another machine for Rs.480000.
On 1st January 2010, the machinery which was purchased on 1st October 2008 was sold for Rs. 285000 and on the same date, it had purchased another machine for Rs. 360000. The company had charged depreciation at 15% p.a, on diminishing balance method. Show the machinery account for three years assuming that the accounts are closed on 31st march every year.

OR

On 1st July 2008 Bhatia and Company purchased two machines of Rs.500000 each. On 1st April, 2009 a new machine costing Rs.250000 was purchased. On 1st October 2010, one of the machines purchased on 1st July became obsolete and was sold for Rs.20500. Depreciation is written off at 15% original cost method and closes the books of accounts on 31st December every year. You are required to show the machinery A/c, Provision for depreciation A/c, and the machinery disposal a/c for the three years respectively and also show the balances of the remaining machinery on 1st January 2011.

16. Nidhi sold goods to Neha for Rs.165000 on 1st April 2010. On the same date 8
Nidhi drew three bills on Neha for Rs.30000, Rs.65000, and Rs.70000 respectively. The bills were accepted by Neha. The first bill which was retained by Nidhi was duly honoured. The second bill was discounted with the bank at 6% p.a, on 4th may 2010. Third bill was endorsed to Sowmya on 10th May 2010. The bill which was discounted with the bank became dishonoured. The bank paid Rs.75 as noting charges. The third bill was duly honoured. Pass the necessary Journal entries in both the books.

OR

Journalize the following in the books of Prem.

- a) Prem's acceptance to Sam for Rs.40000 renewed for three months together
With an interest of 9% p.a.
- b) Prem retires his own acceptance for Rs.2000 in favour of Madan, one month
before the due date. Rebate of 5% p.a. was allowed on the retiring of the bill.
- c) Hari's acceptance to Prem for Rs.20000 renewed for one month together
with interest at 6% p.a.
- d) Endorsed a bill of Rs.70000 to Maria in full settlement of his claim of
Rs.71000.

PART B – FINANCIAL ACCOUNTING II

17. Operating profit earned was Rs.17,00000. Non operating incomes were 1
Rs.1,50,000 and non operating expenses were Rs.3,75,000. Calculate the amount
of net profits earned by the firm.
18. What are main components of a data model? 1
19. Give two examples of deferred revenue expenditure. 1
20. Give the meaning of the word DATA. How does it differ from DBMS? 3
21. From the following ascertain the Net Sales by preparing Total Debtors A/c and 4
Bills receivable A/c

Opening balances of Debtor	Rs.180000
Opening balances of bills receivable	Rs.55000
Cash sales made during the year	Rs. 95000
Credit sales made during the year	Rs.1450000
Returns inwards	Rs.78000
Cash received from debtors	Rs.1025000
Discount allowed to debtors	Rs.55000

Bills receivable endorsed to creditors	Rs.60000
Cash received from matured bills	Rs.80500
Irrecoverable amount	Rs.10000
Bills receivable as on Dec 31 st 2010	Rs.75500

22. What adjusting entries would you record for the following? 4
 A. Further bad debts B. Depreciation
 C. Closing stock D. Income received in advance
23. Gopal does not keep proper books of account. Following information is given 4
 below:

	Jan 01, 2009	Dec 31, 2009
	Rs	Rs
Cash in hand	18,000	12,000
Cash at bank	1,500	2,000
Stock	80,000	90,000
Debtors	36,000	60,000
Creditors	60,000	40,000
Loan	10,000	8,000
Office equipments	25,000	30,000
Land and buildings	30,000	20,000
Furniture	10,000	10,000

During the year he introduced Rs.20,000 and withdrew Rs.12,000 from the business. Prepare a statement of profit/loss on the basis of the info.

24. a) Explain the role of computer in accounting. 3
 b) Distinguish between MIS and AIS.

25. From the following balances extracted from the books of Raga Ltd. prepare a trading and profit and loss account for the year ended 31st December 2010 and a balance sheet as on that date.

16

Account Title	Amount	Account Title	Amount
Drawings	20,000	Sales	2,20,000
Land and building	12,000	Capital	101,110
Plant & Machinery	40,000	Discount	1260
Carriage inwards	100	Apprentice Premium	5230
Wages	500	Bills payable	128870
Salary	2000	Purchases returns	10,000
Sales Returns	200		
Bank charges	200		
Coal , Gas, Water	1,200		
Purchases	1,50,000		
Trade Expenses	3800		
Opening Stock	76800		
Cash at Bank	50,000		
Rates and Taxes	870		
Bills receivable	24,500		
Sundry debtors	54,300		
Cash in Hand	30,000		
	466470		466470

The additional information is as under:

1. Closing stock was valued at the end of the year Rs.20,000
2. Depreciation on plant and Machinery is at 5% and land and building at 10%
3. Discount on debtors at 3%
4. Make provision at 5% on debtors for bad debts
5. Salary outstanding was Rs.100 and wages prepaid was Rs.40
6. The Manager is entitled to a commission of 5% on net profits after charging such commission

