

MAR THOMA RESIDENTIAL SCHOOL, TIRUVALLA
ANNUAL EXAMINATION 2018

CLASS: XI

ACCOUNTANCY
SECTION A

MARKS: 80
TIME: 3 HRS

Part I in Section A is compulsory and answer 4 questions from part II and two questions from Section B

Part I

1. Answer all questions.

- a. Explain the principle of full disclosure. [12]
b. What is a contingent liability? Give two examples.
c. Lata's acceptance in favour of Kavitha for Rs 1,00,000 dishonoured and noting charges paid by Kavitha Rs 1000. Write dishonoured entries in the books of Lata and Kavitha.
d. Give the adjusting journal entries for provision for discount on creditors.
e. A credit purchase of Rs 560 from Arun was recorded as Rs 650. Pass necessary journal entry to rectify the error.
f. Distinguish between Receipts and payments of Account and Income and expenditure account. (4 points)

Part II

Answer any four questions from part II of section A.

2. Prepare a Cash book with cash, discount and Bank columns from the following transactions entered into by Panna Lal & Co. [12]

2012		Rs
Sept 1	Cash balance	2,120
	Bank overdraft	6,000
Sept 2	Sold goods for cash	14,110
Sept 7	Salaries paid in cash	2,000
Sept 7	Salaries paid by cheque	13,500
Sept 8	Advance rent for 2 months paid in cash	1,810
Sept 8	Discounted a bill of exchange through bank @ 2%	8,100
Sept 11	Repaid a loan to Singh & Co. By cheque	12,000
Sept 15	Withdrawn from bank	12,000
Sept 18	Sold goods to Prateek Bros. on credit.	4,000
Sept 20	Cheque received from prateek allowed him discount At 10%	
Sept 22	Deposited Prateek's cheque into bank.	
Sept 22	Withdrew for purchasing a printer for personal use by Cheque	12,000
Sept 25	Prateek's cheque being dishonoured	
Sept 28	Received a cheque from Mahmood in full & final Settlement of a claim of Rs 2,120	2,100
Sept 30	Bank charges as per pass Book.	28

3. A. Journalise the following transactions.

2013		Rs
Nov 1	Cash Rs10,000, Bank Balance Rs 28,000, stock Rs 15,600, Debtors Rs 54,000(Rohan Rs 12,000, sachin Rs 18,000, Gyan Rs 24,000) Machinery Rs 82,000, Creditors Rs 60,000 (Rekha Rs 25,000 Amit Rs 18,000, Ajay Rs 17,000)	
Nov 5	Purchased goods from Amit for List price Rs 20,000 At trade discount of 10% and cash discount 5%	
Nov 7	Sold 50% of above goods available to Sachin at a Profit of 33 1/3 % on cost	
Nov 8	Received a cheque from Sachin on account	10,000
Nov 9	Deposited Sachin's cheque into bank	
Nov 12	Cheque returned dishonoured	
Nov 14	Goods costing Rs 3,000(selling price Rs 4,000) used For domestic purposes.	
Nov 18	Goods given as charity(Sales price Rs 1200, cost price Rs 900.)	
Nov 23	Depreciation on machinery @10%	8,200
Nov 25	Issued a cheque in favour of Ramesh(Landlord) Towards rent for the month of December	3,500
Nov 27	Commission Received	600
Nov 29	Bank charged interest	125
Nov 30	Introduced additional capital	25,000
Nov 30	Salaries due	8,000

B. You are required to prepare the purchase book of Drishti Eye

Care centre for the month of Dec 2012

2012

Dec 1	Purchased from Kumar Optics. 20 sunglasses @ Rs 180 each 15 spectacles @ Rs 225 each. Less: 10% Trade discount.	
Dec 8	Purchased from Verma Opticals for cash. 10 spectacles @ Rs 180 each.	
Dec 16	Bought from Arora Opticals . 12 pairs of lenses @Rs 800 each. 5 sunglasses @ Rs 150 each.	
Dec 21	Purchased a computer from Bawa Computers for Rs 18,000	

4. a)

On 1st July, 2008, Sunshine company purchased two machines of Rs 25,000 each. On 1st Jan, 2009, and 1st April, 2009 it purchased additional machines for Rs 10,000 and Rs 5,000 respectively. On 1st October, 2010 one of the machines purchased on 1st July, 2008 became obsolete and was sold for Rs 9500. Depreciation was provided written @ 15% p.a. on written down value method on 31st December every year. You are required to prepare machinery Account till 31.12.2010 (Figures may be rounded off to nearest rupee).

b)

On 1st July, 2008 Punjab traders purchased furniture for Rs 50,000 and spent Rs 2,000 towards its installation. On 1st April, 2009, the furniture was disposed of for Rs 29,910 and on the same day furniture costing Rs 80,000 were purchased. Show furniture account till 31st December 2009 and furniture sold account, if the rate of depreciation is 15% by reducing Balance method. The books are closed on 31st December every year.

[1

5.

From the following balances taken from the trial Balance of M/s Baba & company, prepare:

- a.) Trading and profit and loss A/c for the year ending 31st March, 2014.
b.) Balance Sheet as at 31st March, 2014

Particulars	Rs	Particulars	Rs
Opening Stock	8,100	Freehold Land	9,70,000
Purchases	7,12,000	Capital	2,33,800
Sales	12,12,150	Freight inward	1,200
Productive Expenses	82,400	Freight outward	2,200
Interest on loan	33,750	Value added tax collected	40,000
Returns Inward	6,600	Interest on Bank deposit	2,400
Returns Outward	3,200	Loan	9,00,000
Loose tools	8,400	Sundry debtors	30,000
Goodwill	7,000	Sundry creditors	12,100
Commission (Cr)	2,000	Bad Debts	1,900
Salaries	11,600	Law charges	800
Investments	2,00,000	Rent	18,000
Cash in hand	1,700	Motor car	3,10,000

The following further information was obtained:

The value of closing stock was Rs 24,400.

60% of the rent was paid in respect of factory.

Sundry Debtors included a sum of Rs 4,000 in respect of one debtor who has become insolvent and 75 paise in a rupee was realisable from him.

Interest on loan @ 8% p.a. is unpaid for 4 months.

Depreciation to be charged on Motor car @ 10% p.a.

Salaries outstanding Rs 2,200.

6. A) Pass necessary journal entries to rectify the following errors:

- Rs 3,000 paid for Rent wrongly debited to Miscellaneous expenses A/c.
- Salary of Rs 3,500 paid to clerk, has been debited to his personal account.
- Rs 500 paid as cartage for the newly purchased furniture, posted to cartage A/c.
- A sale of old machinery for Rs 12,000 has been credited to sales A/c.
- Machinery purchased for Rs 30,000 was passed through the invoice book.

B) Kapil does not maintain proper book of accounts for his business. He provides the following information:

	1 st April 2013(Rs.)	31 st March 2014(Rs)
Cash	7000	12,000
Bank Overdraft	-	28,000
Debtors	25,000	45,000
Stock	30,000	25,000
Creditors	15,000	25,000
Investment	4,50,000	4,50,000
Machinery	3,50,000	3,50,000

Kapil withdrew from business Rs. 60,000 during the year for personal use. He brought Rs 100,000 as additional capital. Depreciate machinery at the rate of 10% p.a. Prepare statement showing profit or loss for the year ending 2013-14 and a balance sheet as on that date

Section B

Answer any 2 questions:

7) From the following information related to A.N Katyal welfare society prepare income and expenditure account for the year ended 31st March, 2013. [10]

Receipts	Rs	Payments	Rs
To balance b/d	2,200	By furniture	3,000
To interest on investments	2,300	By salaries	14,500
To donations	17,000	By miscellaneous expenses	200
To subscriptions	28,000	By telephone charges	12,900
To rent received	12,000	By fax machine	6,000
To sale of old news papers	300	By investments	15,000
		By printing and Stationary	400
		By balance c/d	9,800

Subscription received include Rs 600 for 2013-14. The amount of subscriptions outstanding on 31.03.2013 were Rs 500; Salaries during 2012-13 unpaid were Rs 700 and rent available was Rs 200. 60% of the donations were to be capitalised. Capital fund as at 31st March, 2012 was Rs 10,200 and club also had investments of Rs 8000.

8).

[10]

On Jan 1, 2014 R Singh drew upon S Singh for goods sold, a bill at 3 months for Rs 12,000. R Singh discounted the bill with his bankers, who charges Rs 200 for discount. On the due date, the bill was dishonoured and the bank paid Rs 50 for noting charges. On April 10, 2014 S Singh accepted a new bill for Rs 6000 payable after 3 months and paid the balance in cash. On July 1, 2014 before the bill matured S Singh was declared insolvent and a first and final dividend of 50 paise in a rupee was received from his private estate on 31st July, 2014. Make Journal entries in the books of both R Singh and S Singh.

9).

[10]

From the following data , prepare a common size and comparative balance sheet of Teak wood Ltd.

Particulars	31 st March, 2013(Rs)	31 st March, 2012(Rs)
Share capital	3,00,000	2,40,000
Reserves and surplus	80,000	70,000
Trade payables	1,00,000	1,10,000
Trade receivables	1,90,000	1,80,000
Short term Provision	40,000	15,000
Fixed Assets	2,90,000	2,30,000
Long term provision	80,000	65,000
Current investment	10,000	8,000
Inventory	1,01,000	72,000
Cash and cash equalents	9,000	10,000