

# MAR THOMA RESIDENTIAL SCHOOL, TIRUVALLA

SECOND TERM EXAMINATION 2018-2019

CLASS XI - ACCOUNTS

MARKS: 80

TIME: 3 HOURS

## I. Section- A

1. Explain the reasons on account of which the balance as shown by the pass book does not agree with the balance as shown by the bank column of the cash book.
2. Why is depreciation provided? What factors should be considered while determining the depreciation of an asset?
3. Which assets are depreciated by using depletion method of depreciation?
4. Distinguish between Bill of Exchange and Promissory Note.
5. Pass journal entries in the books of drawer and drawee, when discounted bill dishonored and noting charges paid by bank.
6. Explain the terms:
  - a) Noting
  - b) Retirement of a Bill of Exchange
7. What do you mean by cost of goods sold?
8. Write adjusting journal entries for :
  - a) Provision for bad and doubtful debts.
  - b) Provision for discount on creditors.
9. Explain the accounting treatment of:
  - a) Legacy
  - b) Donations
10. Distinguish between Receipts and Payments Account and Income and Expenditure account. **(10+2)**

## Section B

11. Answer any **Five** questions:

- a) Aadish retired his acceptance for Rs. 2,20,000 by giving Rs.2,15,000 to Anil. Give journal entries in the books of Anil and Aadish.
- b) A sells goods to **B** to the value of Rs 45,000 and draws on him a 2 months bill which **B** accepts on Jan 1,2014. A discounts the bill with the bank for Rs.43,500 on the due date **B** dishonors the bill and request A to draw a bill for 2 months with interest @10% P.A. to which A agreed. The second bill was duly met. Give journal entries in the books of **A** and **B**. (2+)

**111.** Akbar Ltd, purchased a machine worth Rs.4,50,000 on 1<sup>st</sup> January,2010. On 1<sup>st</sup> January 2011, it purchased a new machine for Rs.1,90,000 and spent Rs.10,000 towards its carriage and installation. On 1<sup>st</sup> January 2012 it purchased another machine for 1,00,000 on 31<sup>st</sup> March 2013, the machine purchased on 1<sup>st</sup> January 2011 was sold off for Rs,1,35,000. Depreciation is charged @10% P.A. on Straight Line Method. Prepare Machinery Account and Machinery Sold Account (till 31<sup>st</sup> March 2014 Books are closed on 31<sup>st</sup> March every year. (10)

**IV.** From the following balance prepare Trading Profit and Loss Account and Balance sheet of Sharma and Co. as at 31<sup>st</sup> March, 2014 after making necessary adjustments:

Sales Rs. 1,30,000 ; Purchase Rs.8,70,000 ; Debtors Rs.16,250

Creditors Rs. 9,000 ; Opening stock Rs.2,100; Bill Receivable Rs.2,000

Bill Payable Rs. 3,000 ; Salary Rs.1,17,000 ; Insurance Rs.2,400

Carriage Inward Rs. 600 ; Interest Rs.350 (Dr) ; Discount Received Rs.450

Printing Expense Rs.150; Return Inwards Rs.750

Return outward Rs. 350 ; Bank Rs.31,000 ; Rent Rs.18,600

Furniture Rs.36,900 ; Plant Rs.2,71,000 ; Capital Rs.56,300

### **Adjustments:**

1. Depreciate Plant and Furniture @10% P.A
2. Provide for bad debts Rs.1,250
3. Printing charges were outstanding Rs.100
4. Interest Rs.500 due from Bank
5. Provision for doubtful debts @5% on Debtors
6. Closing Stock Rs.16,000.

V. Sunder does not maintain any books of account. He furnishes following information.

Particulars	1st April, 2013	31st March, 2014
Cash	5,000	9,000
Stock	8,300	9,200
Debtors	52,000	48,000
Creditors	70,000	90,000
Bills Receivable	-----	800
Bills Payable	16,000	35,000
Computers	20,000	20,000
Machinery	3,50,000	3,50,000

Sunder introduced Rs.30,000 a additional capital. He withdrew Rs.60,000 form his business for his personal use. Computers and Machinery is to be depreciated @ 10% P.A. provision for doubtful debts to be created @10%. It was found that Rs.5,000 from debtors were irrecoverable. Calculate Profit or Loss for the year ending 31st March, 2014 and prepare statement of affairs as at 31st March,2014. (12)

V1. From the following information, calculate Credit Purchases, Total sales Credit Sales and cash received from Debtors:

Creditors (opening)	7,510
Debtors (opening)	6,890
Bill Received during the year	5,000
Bill accepted during the year	4,000
Discount allowed to Debtors	7,000
Discount allowed by Creditors	2,400
Returns outward (from credit purchase)	3,500
Returns Inward (from credit Sales)	3,200
Bad-debts	4,800
Total purchases	3,00,000
B/R dishonoured	6,800
Bills endorsed to creditors	7,220
Cash Sales	2,02,000
Debtors (closing)	15,710
Creditors (closing)	8,220
Cash paid to creditors	1,85,270

Information:

1. There is no opening and closing stock.
2. Goods were sold at a profit margin of 25% on cost.

(12)

**V11** From the following Receipts and Payments Account of Shri Ram Lila Club prepare Income and Expenditure Account for the year ended 31<sup>st</sup> March, 2013 and the Balance sheet as at 31-03-2013:

Receipts and Payments Account

Particulars	Rs.	Particulars	Rs.
To balance b/d	35,000	By Expense on charity show	1,100
To subscription:	-----	By Investments	10,000
2011-12	500	By Insurance	2,000
2012-13	700	By Sundry Expense	400
2013-14	600	By Office Expense	700
To Income from charity show	2,500	By fax machine(purchased on 01-10-12)	2,600
To Donations	4,000	By Salaries	12,500
To Miscellaneous receipts	1,300	By balance c/d	15,300
	44,600		44,600

The following additional information is supplied to you:

1. On 31-03-2013 subscription of Rs.2,500(including Rs.200 for 2011-12) were in arrear and Insurance charges of Rs.300 were prepaid.
2. On 01-04-2012 the club had the following assets and liabilities:
  - a) Fax machine                      Rs.4,000
  - b) Investments                      Rs.2,500
  - c) Salary outstanding      Rs.1,500
  - d) Insurance prepaid      Rs. 500
3. Depreciations is to be charged at fax machine @10% P.A.
4. Donations are to be capitalised.