

**Mar Thoma Residential School, Tiruvalla****Class XI C**

First Assessment Examination 2020-21

**ACCOUNTS****Time : 1 hour****Marks : 40****Question : 1****Answer the following questions:****10**

- i. Distinguish between trade discount and cash discount.
- ii. State the accounting concept involved in each of the following:
  - a. Closing stock is valued at cost/market price which ever is lower.
  - b. Revenue is recognised when earned and expenses are recognised when incurred.
- iii. Explain double entry book keeping and single entry book keeping.
- iv. Give journal entry for unexpired insurance.
- v. What is a Contingent liability.

**Question : 2**

From the following information determine the profit earned or loss incurred when

1) Cash basis of accounting and 2) Accrual basis of accounting are followed:

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Cash Sales	6,00,000	Insurance expenses (Including advance)	18,000
Credit Sales	2,00,000	Income received in advance	1,000
Cash purchase	3,00,000	Income received (Including advance)	5,000
Credit purchase	1,50,000	Rent paid	1,000
Salary paid	45,000	Outstanding Rent	500
Salary outstanding	5,000		
Electricity expenses (Including prepaid Rs. 1,000.)	11,000		
Insurance paid in advance	4,000		

**Question : 3**

Journalise the following transactions in the books of Pradeep:

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2020 Jan. 1 Started business with Cash Rs.50,000; Furniture Rs.10,000 & Bank balance Rs. 40,000

Jan. 2. Bought goods from M/s. Singh & Co. Rs. 30,000

Jan.5. Purchased computer against cheque Rs. 35,000

Jan. 10. Sold goods to Agarkar & Co. Rs. 25,000

Jan. 15. Received cheque from Agarkar & Co. in full settlement Rs. 24,500

Jan. 18. Goods stolen in transit ( Cost Rs.3000) selling price Rs. 5000

Jan. 20. Paid rent by cheque Rs. 10,000. Half of building is used for proprietors residential use.

Jan. 25. Insurance company admitted the claim Rs. 2500

Jan. 28. Drew cash for personal use Rs. 1000

Jan. 30. Goods distributed as free samples Rs. 2000

**Question : 4**

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Pass journal entries of Mahesh for the following transactions:

1. Purchased goods from Pradap of Rs. 50,000 less 10% trade discount plus IGST @18%.
2. Rent paid by cheque Rs.10,000 plus CGST and SGST @ 9% each
3. Telephone bill Rs. 5,000 plus CGST and SGST @ 9% each
4. Paid salaries to staff Rs. 60,000
5. Advertisement expense of Rs. 30,000 plus CGST and SGST @9% paid by cheque.
6. Sold good to Mohan for Rs. 1,00,000 less 10% trade discount plus IGST @18%.  
Received by cheque by immediately and allowed 2% cash discount.
7. Goods costing Rs. 2,000 were given as donation on which CGST and SGST @9%.
8. Commission received Rs. 18,000 by cheque, CGST and SGST @9% each.
9. Sold good to Dev Rs. 1,00,000 less 10% trade discount plus SGST and SGST @9% each.  
Received cash immediately and allowed a cash discount of 2%
10. Goods returned to Pradap costing Rs. 5,000 due to inferior quality.