

MBS INTERNATIONAL SCHOOL
SECTOR 11, DWARKA
SESSION -2019-20
PRACTICE PAPER
ACCOUNTANCY
CLASS – XI

Time allowed: 1½ Hours

Maximum Marks: 40

General Instructions:

- Read all the questions carefully.
- Write neatly and legibly.
- Attempt all parts of the question together.
- Marks for each question are indicated against it.

PART- A

- 1 What do you understand by accounting Concepts? 1
- 2 What is the main objective of preparing a Trial Balance? 1
- 3 What is the impact of GST paid at the time of purchase of Machinery on depreciation? 1
- 4 What is meant by Capital Receipt? 1
- 5 What is meant by Revenue from operation 1
- 6 Amit has incurred an expense of ₹5,000 towards repair. However, the amount is yet to be paid. How will it be shown in the accounting equation? 1
- 7 What is a Voucher? 1
- 8 Distinguish between Reserve and Provision. 1
- 9 Pass the journal entries and rectify the following errors which have been detected before preparation of Trial Balance: 3
- (i) Credit sale of ₹1,700 to Raj was recorded as ₹7,100.
- (ii) Credit sale of old furniture to Meet for ₹1,700 was posted as ₹7,100.
- (iii) ₹1,000 paid for rent debited to the Landlord's Account.
- 10 A sells goods to B for ₹10,000 plus CGST and SGST @ 9% each. B pays ₹1,800 in cash and accepts a bill on him for the balance for 3 months. Before the due date, B requests A to cancel the bill, to accept ₹3,000 as part payment and to draw a fresh bill on him for ₹7,200 for the further period of 2 months - ₹200 being the interest for the extended period. A agrees to the proposal. The new bill is duly honoured. Pass necessary Journal entries in the books of both the parties. 4
- 11 On 1st April, 2014, Z Ltd. purchased machinery for ₹1,20,000 and on 30th September, 2015, it acquired additional machinery at the cost of ₹20,000. On 30th June, 2016, one of the original machines (purchased on 1st April, 2014) which had cost of ₹5,000 was found to have become obsolete and was sold as scrap for ₹500. It was replaced on that date by a new machine costing ₹8,000. Depreciation is to be provided @ 15% p.a. on the written down value. Accounts are closed on 31st March each year. Show the Machinery Account for the first three years. 4
- 12 Following are the balances extracted from the books of Ravi on 31st March, 2017: 8

	₹		₹
Ravi's Capital	30,000	Sales	1,40,000
Ravi's Drawings	5,000	Return Inward	12,000
Furniture and Fittings	2,600	Discount (Dr.)	1,600
Bank Overdraft	2,200	Discount (Cr.)	2,000

Creditors	13,800	Taxes and Insurance	2,000
Business Premises	20,000	General Expenses	4,000
Stock (1 st April, 2016)	52,000	Salaries	9,000
Debtors	16,000	Commission(Dr.)	2,200
Rent from Tenants	1000	Carriage on Purchases	1,800
Purchases	60,000	Bad Debts Written off	800

Additional Information:

- (i) Stock on Hand on 31st March, 2017 was ₹ 20,060.
- (ii) Write off Depreciation: Business Premises ₹ 300, Furniture and Fittings ₹ 250
- (iii) Making a Provision of 5% on Debtors for Doubtful Debts.
- (iv) Carry forward ₹ 200 for unexpired insurance.
- (v) Outstanding salary ₹ 1,500.

Prepare the Trading and Profit and Loss Account for the year ended 31st March, 2017 and the Balance Sheet as at that date.

- 13 On which side will the increase in following account be recorded ? Also, mention the nature of the account on the basis of Modern Classification of Accounts: 1
 - (i) Rent Received A/c
 - (ii) Cash A/c
- 14 Write down differences between Cash Basis and Accrual Basis of Accounting. 1
- 15 Journalise the following transactions in the books of Akhil, Delhi: 1

Purchased goods from D. Lal, Kanpur for ₹ 2,00,000 out of which cheque was issued for ₹ 60,000.
- 16 On Checking the Bank Pass Book it was found that it showed an overdraft of ₹ 5,220 as on 31st March, 2018, while as per Ledger it was different. The following differences were noted: 4
 - (i) Cheques deposited but not yet credited by the bank ₹ 6,000.
 - (ii) Cheque dishonoured and debited by the bank but not given effect to it in the Ledger ₹ 800.
 - (iii) Bank charges debited by the bank but Debit Memo not received from the bank ₹ 50.
 - (iv) Interest on overdraft excess credited in the Ledger ₹ 200.
 - (v) Wrongly credited by the bank to discount, deposit of some other party ₹ 900.
 - (vi) Cheques issued but not presented for payment ₹ 400.
- 17 Prepare Double Column Cash Book with cash and Bank Columns from the following information : 6

(₹)		
Sept. 1	Cash in hand	75,000
	Bank overdraft	35,000
Sept. 2	Paid Wages	2,000
Sept. 5	Cash Sales *	70,000
	Allowed Cash Discount	944
Sept. 10	Cash Deposited in to bank	40,000
Sept. 15	Goods purchased and paid by cheque *	20,000
Sept. 20	Paid Rent *	472
Sept. 25	Drew from bank for personal use	4,000
Sept. 30	Salary Paid	10,000