

Guess Paper – 2014
Class – XI
Subject – ACCOUNTANCY

Marks: 80

Duration: 3hrs

General instructions:-

1. Marks are indicated against each question
2. Use of calculator is not permitted.
3. Please check that this question paper contains 5 printed pages and 18 questions.
4. Please write down the serial number of the question before attempting it.
5. All parts of a question should be attempted at one place.

Q1 Choose one correct alternative;-

- 1.1 Which is the last step of accounting as a process of information? **1**
(a) Recording of Transaction (b) Preparation of financial statements (c) Communication of information (d) Analysis and interpretation
- 1.2 Bank Overdraft is (a) Current Liability (b) Non-Current Liability (c) Contingent Liability (d) Current Asset. **1**
- 1.3 Drawings made by a proprietor (a) reduce capital (b) increase capital (c) makes nil effect. **1**
- 1.4 According to going concern concept, a business viewed as having (a) a limited life. (b) an indefinite life (c) a very long life (d) none of these. **1**

Q2 Point out whether the following statements are True or False:

- 2.1 The sale of an asset more than the book value means loss. **1**
- 2.2 Under Materiality Principle, quality of manpower is not recorded in the books of accounts. **1**
- 2.3 The Principle of consistency is particularly valuable when alternative accounting method is equally acceptable. **1**
- 2.4 Accounting is commonly said to be the language of business. **1**

Q3 Name the following:

- 3.1 Closing stock is valued at lower of cost price or market price. Which concept of Accounting is involved? **1**
- 3.2 This accounting principle says that personal expenses of proprietor or partners should be debited to Drawing Account. **1**
- 3.3 It is the amount spent in order to produce and sell goods and services which produce the revenue. **1**
- 3.4 Rent for the month of December, 2013 is not paid. Under which accounting concept it **1**

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should be recorded as expense for the year ended 31st December, 2013

- Q4** In the cash book of a firm, Bank Account Showed a credit balance of Rs. 5,000. There were 1
unpresented cheques amounting to Rs. 1,500. The Bank Statement showed bank charges of
Rs. 400 not recorded in the cash book. What is the balance in the bank statement
- Q5** An investment company has securities as current assets having market value substantially 3
lower than the cost price. The company continues to show them at cost. **Do you think the
concept of prudence is being violated? If yes what values do you find involved?**
- Q6** From the following particulars prepare a bank reconciliation statement as on 28.02.2014. 3
Balance as per cash book on 29.02.2014 was Rs. 20,000.
a. Cheques issued but not presented for payment Rs. 4,000.
b. A wrong debit of 200 has been given by the bank in the pass book.
c. Collection of interest and dividend by bank Rs. 500.
d. A bill of Rs. 5,000 was retired by the bank under rebate of Rs. 100 but the full amount
was credited in the cash book.
e. Amount deposited by customers directly into the bank Rs.3000.
- Q7** Enter the following transactions in a three-column cash book and balance it: 3
Feb. 1 commenced business with cash R. 70,000
“ 2 opened a current a/c in SBI and deposited Rs. 30,000
“ 3 purchased goods and paid for these by cheque Rs. 3,000.
“ 19. sold goods and received cheque Rs. 10,000.
“ 19 discount allowed Rs. 100.
“ 28 cash in hand Rs. 45.000.
- Q8** Calculate what amount will be posted to Income and Expenditure Account for the year 3
ending on 31st December, 2013.
- | Particulars | 01.01.2013 (Rs.) | 31.12.2013 (Rs.) |
|------------------------------|------------------|------------------|
| Stock of Stationery | 4,600 | 5,100 |
| Creditors for Stationery | 1,400 | 1,260 |
| Advances paid for Stationery | 140 | 360 |
- Amount paid for stationery during the year 2013 Rs. 22,600.
- Q9** A firm sells goods on the basis of cost plus 25% sales to customers (3/5th of total sales was 4
Rs. 2,40,000). His opening and closing stocks were respectively Rs.70,000 and 40,000. What
were the purchases?
- Q10** From the following information develop accounting equation: 4

Jaya started business with cash Rs. 50,000.
 Purchased goods for cash Rs. 5000 and on credit Rs. 20,000.
 Sold goods for cash Rs. 5,000 (costing Rs.2,600)
 Rent paid Rs.1000 and rent outstanding Rs. 200.

- Q11** Give journal entries to rectify the following **4**
- a) Rent paid to the land lord Jayashri Rs. 1,200 was debited to Jayashri Account.
 - b) Purchases book was uncast by Rs. 300.
 - c) An amount of Rs. 1,565 for credit sales to Krishna, although correctly entered in the sales book has been post as Rs. 1,595.
 - d) Sold furniture for Rs. 4,000 was entered in sales a/c.
- Q12** Distinguish between: **4**
- (a) Trade Discount and Cash Discount.
 - (b) Provision and Reserve.
- Q13** Mr. Babu does not keep full double entry records. He started business with cash Rs. 60,000 **4**
- He withdrew during the year Rs. 80,000 out of which he spent Rs. 70,000 on purchasing a scooter for the business. Further capital introduced by him was Rs. 15,000.
- His position on 31st December, 2013 was as follows:
- Cash in hand Rs. 2,500; land and building Rs. 1,25,000; stock Rs. 45,000; debtors Rs. 60,000 furniture's Rs. 14,000; plant and machinery Rs. 86,000 and bills payable Rs. 20,000. Prepare necessary statement to determine the net profit for the year ending 31st December, 2013. Adjustment: Depreciate furniture and scooter 10%.
- Q14** **Prepare necessary subsidiary books from the following:**
- January
- 1 Started business with cash Rs. 2,00,000.
 - 3 Purchased goods from Ms. Jet at list price of Rs. 20,000.
 Less: Trade Discount @10%.
 - 4 Cash sales Rs. 16,000
 - 5 Drawn cash for personal use Rs. 1,000.
 - 10 Paid rent Rs. 500
 - 11 Sold goods to Y for Rs. 10,000.
 - 13 Returned goods to X at list price Rs. 1000.
 - 17 Sold goods to Mis. Rani for Rs. 40,000.
 - 20 Purchased goods from Mrs. Banu for Rs. 20,000.
 - 26 Paid rent Rs. 2,000.

- 28 Goods sold to Mrs. Wind for Rs. 40,000
 29 Goods returned by Y Rs. 2,000.
 31 Received Rs. 38,000 from Z.

Q15 A firm purchased on 1st Jan., 2010 a plant for Rs. 5,50,000. On 1st July in the same year an additional plant was purchased costing Rs. 3,00,000. On 1st March 2014 the plant purchased on 1st January 2010 having become obsolete, is sold off for Rs. 2,40,000. Depreciation is provided at 10% p.a. under written down value method, on 31st December, every year. Prepare Plant & Machinery Account, Provision for Depreciation Account and Plant and Machinery Disposal Account.. **6**

Q16 A) Ms. Jaya draws a bill of exchange on Riya for Rs. 6,000 for 2 months on 1.11.2014. Riya accepts the bill. Jaya endorses the bill in favour of Janu. The bill was met on the due date. Pass the entries in the books of Jaya and Riya. **3**

B) A sold goods to B for Rs. 30,000. B pays Rs. 10,000 in cash and accepts a 2 months bill for the balance. On the due date, B requests for renewal of the bill. As such he pays Rs. 10,000 in cash and accepts a 2 months bill for the balance plus interest at 6% p.a. Pass necessary journal entries in the books of A. **3**

Q17 The trial balance of Ms. Jayajothi as on 31st December, 2013 was as under. **8**

Particulars	Debit (Rs)	Credit (Rs)
Drawings /Capital	3,000	1,80,000
Stock as on 1.1.2013	9,000	
Purchases/Sales	65,500	1,19,000
Sales returns/Purchase returns	2,000	1000
Wages and salaries	16,000	
Insurance premium	1,500	
Duty paid on purchases	10,000	
Packing expenses	2,000	
Carriage outwards	6,000	
Internet and Telephone	2,100	
Advertisement	1,000	
Bad debts	600	
Discount received		1000
Bills payable		9,000
Bank Loan		3,000
Land & buildings	90,000	
Plant & machinery	70,000	
Furniture	1,000	

Debtors/ Creditors	25,300	42,500
Cash in hand	1,500	
Cash at bank	40,000	
Goodwill	9,000	
	3,55,500	3,55,500

Adjustments:

- (i) Closing stock as 31-12-2013 Rs. 82,500.
- (ii) Interest on bank Loan unpaid Rs. 450.
- (iii) Insurance Premium paid up to 1st July, 2014.
- (iv) Depreciate land & buildings at 10%, plant & machinery at 10%.
- (v) Write off further bad debts of Rs. 300 and make a provision for bad and doubtful debts at 10% on debtors. Prepare Financial Statements.

Q18 From the following Receipt and Payment Account of Royal Commerce Club and from **8** information supplied, prepare an Income and Expenditure Account and Balance Sheet for the year ended 31st December, 2013:

Particulars	Amount	Particulars	Amount Rs.
	Rs.		
To balance b/d	7,000	Salaries	28,000
Subscriptions		General expenses	6,000
2012 5,000		Electric charges	4,000
2013 21,000		Books	10,000
2014 4,000	29,000	Newspapers	8,000
Rent received	14,000	Misc. expenses	2,000
Profit on entertainment	8,000		
Sale of newspapers	2,000		
Sale of old furniture (costing Rs. 200)	100	Balance c/d	3,100
	60,100		60,100

Additional information:

- i) The club has 100 members, each paying annual subscription of Rs.220, subscription outstanding on 31-12-2011 were Rs. 8,500.
- ii) On 31-12-2013 salaries outstanding were Rs 100 salaries included Rs.200 for the year 2012.
- iii) On 1-1-2013. The club owned Land and Building valued at 1,20,000, Furniture Rs.6,200 and Books Rs. 5,000.



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