

GULF SAHODAYA (SAUDI CHAPTER) EXAMINATION -2018**SUBJECT: ACCOUNTANCY****MAXIMUM MARKS: 90****CLASS:XI TIME: 3 HOURS**

General instructions:

- i. All questions are compulsory to attempt.*
 - ii. Marks are indicated against each question.*
 - iii. Draw proper format wherever required.*
 - iv. Use of calculator is not allowed.*
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PART –A (FINANCIAL ACCOUNTING –I)

1. State any two advantages of accounting. (1)
2. What do you meant by depletion? (1)
3. List out any difference between bills of exchange and promissory note. (1)
4. Amount invested by proprietor is considered as liability to business is an example of ----- concept. (1)
5. Give any one example for error of commission. (1)
6. Explain the following terms: (3)
 - (a) Creditor
 - (b) Drawings
 - (c) Goods
7. Prepare accounting equation from the following transactions. (3)
 - a. Sudha started business with cash ₹50,000 and goods worth ₹ 150,000.
 - b. Purchased furniture worth ₹ 15,000 for credit.
 - c. Cash sales (goods costing ₹40,000) ₹75,000 and credit sales (goods costing ₹20,000) ₹ 50,000.

8. Give journal entries for the following transactions. (3)

- i. Salary outstanding ₹ 7,000.
- ii. Goods given as free samples ₹ 500.
- iii. Paid cash ₹ 38,000 in full settlement of a creditor ₹ 40,000.

(4)

9. Prepare bank reconciliation statement as on 30 -Jan -2018.

- (i) Overdraft as per cash book ₹ 20,500
- (ii) A cheque of ₹ 6000 deposited into bank but not credited.
- (iii) Bank collected dividend ₹ 11,500 not entered into cash book.
- (iv) Cheque issued to suppliers ₹ 27000, not cleared.
- (v) Interest on overdraft ₹ 1,125.

10. Who are the users of accounting information? Why they need this information? (4)

11. Following are the information extracted from Hollywood men's fashion. You are required to prepare purchased day book. (4)

2018 Purchased from Reliance fashion store (invoice no . 723)

Jan - 3 20 Casual shirting @ ₹750 each.
35 Denim jeans @ ₹ 1,000 each.

Less Trade discount 15%

Jan -6 Purchased from John Luis wholesale showroom (invoice no.741)

150 Formal shirts @ ₹ 1200 each.
60 Formal trousers @ ₹ 2200 each.
Less trade discount @ 20%.

Jan 15 Purchased Janome sewing machine for ₹ 19,000 from Al Mohsin

Less trade discount 50%

12. Explain the following accounting principles (6)

- (a) Going concern concept.
- (b) Money measurement concept.
- (c) Cost concept.

(4+2)

13.

a) Enter the following transaction in double column cash book.

Dec -	Bank balance	₹ 42,000	
01 -17	Cash balance		₹ 20,000
	Purchased goods for cheque		₹ 12,000
Dec 04			
	Sold goods for cash		₹ 17,400
Dec 07			
	Sold goods and received cheque (deposited same day)	₹10,000	
Dec 13			
	Cash paid to Rohit as commission		₹1, 400
Dec 20			
	Cash withdrawn from bank for office use	₹ 18,000	
Dec 21	Cash taken for personal use		₹3,000

b) Mr . Madhu is an accountant of a well-known department store, passed dummy entry without proof in order to match transaction in trial balance. He also entered an item as charity. On audit of the accounts it is found that this item reflects the purchases made by his wife which shown as charity. Which accounting concept is not followed by Mr. Madhu. Identify the value missing in Mr. Madhu's conduct.

(6)

14. 'A' sells goods for ₹ 8,000 to 'B' on 1 September 2017 and on that date draws a bill for three months for the amount. 'B' accepts it and returns it. On 15-Sep 'A' endorsed the bill in favor of his creditor 'C'. On due date the bill was dishonored and 'C' paid ₹ 100 as noting charge. 'B' requested 'A' to renew the bill for one month by accepting ₹3,500 including noting charge and ₹400 interest. 'A' accepts B's request and drawn a new bill for remaining amount. The new bill was discounted by 'A' with his bank for ₹ 4,900. The new bill met on maturity.

Pass necessary journal entries in the books of 'A'.

(6)

15. On 1st Jan 2015 a firm purchased a Delivery Van for ₹ 6, 00,000. It purchased a secondhand Van on 1st July 2016 for ₹ 1, 25,000. The Van which purchased on 1st July 2016 met with an accident and destroyed completely as on 30th -

June-2017. , and insurance company admitted a claim of ₹ 67,500. On Oct -1st 2017 the firm purchased another Van to replace it, for ₹ 90,000. Show Van account and provision for depreciation account from 2015 to 2017 on the basis of straight line method; if the rate of depreciation is 10%p.a assume that books are closed on 31st Dec -every year.

PART –B(FINANCIAL ACCOUNTING –II)

16. What do you mean by statement of affairs? (1)

17. On the basis of the following information calculate the amount of stationary to be shown in income and expenditure account for the year ended 31 March 2017. (3)

Stock of stationary as on 1-4 2016	₹ 40,000
Stock of stationary as on 31-3-1017	₹ 30,000
Amount paid for purchase of stationary during the year	₹ 1,50,000
Creditors for stationary as on 1-1 2016	₹ 20,000
Creditors for stationary as on 31-12 2017	₹ 15,000

18. Distinguish between capital expenditure and revenue expenditure with the help of examples. (3)

19. Mr. Hassan runs a hardware shop. He maintains books under single entry system. The books of records providing following information. (3)

Particulars	Jan- 1- 2017	Dec -31- 2017
Cash	12,000	15,000
Bills receivables	-	25,500
Debtors	16,000	40,000
Furniture	7,500	18,000
Creditors	14,000	15,000
Investments	50,000	-

During the year, he withdrew ₹ 2000 per month for his personal use. On 1st June 2017 he sold investments @ ₹ 60,000 and 70% of the amount introduced as additional capital. You are required to calculate profits or loss made by Hassan during the year 2017.

20. Compare the advantages of computerized accounting system over manual accounting system. (4)

21. Difference between income and expenditure account and profit and loss account. (4)

22. Explain the meaning and difference between Ready -to- Use and Customized accounting soft wares. (6)

23. (a). BharatiyaGrameenMahilaSangh or BGMS is a national association of rural woman India was founded with the belief that when women have opportunities to improve their lives, everyone benefits. When woman earn an income and control what they do with it, their children are more likely to finish school, their families eat better, they stay healthy and the entire community thrives. Elderly women, who have nobody to look after them, can also find home in BGMS. They are provided with food, medical care, and recreational facilities. Following is the receipts and payments account of BGMSas on 31-12 -2017 (8)

Receipts	₹	Payments	₹
Cash in hand	500	By Salaries	24,000
Cash at bank	5,650	By Fees for trainers and moderators	7,500
Subscriptions (including ₹1,000 for 2015-16 and ₹1500 for 2017-18)	45,500	By Funding of charitable activity	5,550
Interest on investments	20,000	By Rent of old age homes	11,500
Bank interest	250	By Books	10,000
Sale of furniture	3,000	By Cash in hand	1,550
		By Cash at bank	14,800
	74,900		74,900

Following additional information also supplied to you:

- i. On 1st Jan. 2017 , it had following assets and liabilities
Investments ₹4, 00,000, Furniture ₹ 30,000, Books ₹50,000,
Rent o/s ₹ 600 and salaries o/s ₹ 2,000.

- ii. On 31-12-2017 Rent o/s ₹ 800 and salaries o/s ₹ 2,500.
- iii. Book value of furniture sold was ₹ 2,500.
- Prepare income and expenditure account for the year ended 31-12-2017 and calculate capital fund as at 1-1-2017. Also identify any two values which the association wants to convey to the society.

OR

(b). Deepalaya is a non-government organization aims at providing education to the children living in the slums of Delhi. Their projects also include providing healthcare, education, vocational training to the downtrodden and physically disabled . following are the Receipt and Payments account of Deepalaya as on 31-12 -2017

Receipts	₹	Payments	₹
To Balance B/d	71,300	By Salaries	75,000
To Subscriptions	4,70,000	By Expenses On charity show	8 0,000
To Proceeds from charity show	1,60,000	BY Medicines	3,00,000
To Donations	1,45,700	By Equipment	2,35,000
Interest @ 8% for full year on investments	24,000	By Scholarship Expenses	15,000
		By Honorarium	100,700
		By Balance C/d	65,300
	8,71,000		8,71,000

Additional information:

	(₹)	(₹)
	01--01 – 2017	31-12-2017
i. Subscription outstanding as on	2,400	5,000.
ii. Subscriptions received in advance	1,000	6,000
iii. Stock of medicine	80,000	1, 86,000.
iv. Value of equipment	1,15,000	3,10,000
v. Building (cost less depreciation)	20,00,000	19,50,000

You are required to :

Prepare income and expenditure account for the year ended 31-12-2017 and ascertain capital fund as on 1-1-2017.

Also identify any two values highlighted in the above case.

- 24.(a). From the following trial balance Prepare Trading and Profit and Loss Account and Balance Sheet of Naser Traders (8)

Particulars	(₹)	Particulars	(₹)
Opening stock	4,000	Sales	3,00,000
Purchases	1,50,000	Capital	6,00,000
Wages	26,000	Interest received	4,000
Printing and stationary	3,200	Bills payables	9,500
Debtors	74,300	Creditors	37,000
Bills receivables	6,500	Loan	1,20,000
Salaries	35,000	Return outwards	17,500
Factory rent	13,000	Miscellaneous incomes	12,000
Drawings	11,000		
Investments	40,000		
Cash	10,000		
Bank	25,000		
Buildings	5,00,000		
Furniture	1,80,000		
Bad debts	2,000		
Return inwards	20,000		
Total	11,00,000	Total	11,00,000

Additional information:

- Write off further bad debt ₹ 4,300.
- Make provision for doubtful debtors @ 5% on debtors.
- Charge depreciation on building and furniture @ 10 % p.a.
- Value of stock as on 31-03 -2017 ₹ 90,000.
- Salaries outstanding amounted to ₹5,000.

OR

- (b). Prepare Trading and Profit and Loss Account and Balance Sheet for the year ended 31-12 2016. following balances were taken from the books of John Paulson Traders

Particulars	(₹)	(₹)
Stock as on 1-1-2016	24,000	
Purchases and sales	2,70,000	3,50,000
Wages	6,000	

Office expenses	5,200	
Debtors and creditors	63,000	37,000
Bills receivables and payables	9,500	12,000
Salaries and wages	35,000	
Factory lighting	18,000	
Capital and Drawings	11,000	2,00,000
Insurance	4,000	
Cash	2,000	
Bank overdraft		25,000
Buildings	120,000	
Motor car	60,000	
Rent		9,000
Commission	5,300	
Total	6,33,000	6,33,000

Additional information:

- i. Outstanding wages ₹500.
- ii. Unexpired insurance @ ₹200.
- iii. Stock was valued @ ₹15,500 on 31st Dec 2016.
- iv. Depreciate motor car and building @ 10% p. a.
