

ANNUAL EXAMINATION 2022-23 SUBJECT: ACCOUNTANCY(055) Class – XI		Marks
Time allowed: 3 Hours		Max. Marks: 80
General Instructions <ol style="list-style-type: none"> 1. Question Paper is divided into two parts. Part – A (56 Marks) and Part – B (24 Marks) 2. Both parts are compulsory 3. All parts of the question should be attempted at one place. 4. Write down the question number clearly before attempting the question 5. 25% of the marks allotted to the question would be deducted for not using correct format, narrations and working notes. 6. Nothing should be written on the Question paper 7. Scheme of choice <ol style="list-style-type: none"> i. 1 Mark – 7 questions (2 from unit 1, 4 from unit 2 and 1 from unit 3) ii. 3 Mark – 2 questions (1 from unit 1 and 1 from unit 2) iii. 4 Mark – 1 question (1 from unit 2) iv. 6 Mark – 2 questions (1 from unit 2 and 1 from unit 3) 		
Q.No.	PART – A	Marks
1	Accounting standards are applicable to purely Charitable organisations. Justify the statement	1
2	State any two advantages of GST	1
3	Choose the correct sequence of accounting process <p>A. Vouchers → Ledger → Recording → Identification → Trial balance and Financial statements</p> <p>B. Trial balance and Financial statements → Ledger → Recording → Voucher → Identification</p> <p>C. Identification → Voucher → Recording → Ledger → Trial balance and Financial statements</p> <p>D. Identification → Voucher → Ledger → Recording → Trial balance and Financial statements</p>	1
4	Alka is running a stationery business. She purchased Books, Registers and Notebooks etc. on credit for ₹10,000. The transaction is supported by purchase invoice. Identify the qualitative feature of Accounting information from the given statement.	1
Or		
4	Suchi, the accountant of the organisation compares the Income statement of 2 years to decide how much investment is to be made outside the business. Identify the qualitative feature of Accounting information from the given statement.	1
5	During the accounting period 2021-22, Udit had total sales of ₹6,00,000, out of which 2/3 rd is for cash and balance on a credit for 2 months. The total expenses were ₹2,80,000 out of which ₹70,000 are still outstanding. He also paid ₹10,000 (apart from the ₹2,80,000 given previously) for expenses related to 2023-24. Calculate his income as per 'Cash Basis' of accounting.	1
Or		
5	In the financial year 2021-22, Aman's cash sales were ₹6,00,000 and credit sales were 1/3 of cash sales. The total expenses paid by him were ₹4,40,000 out of which ₹20,000 pertained to 2022-23. Expenses of ₹30,000 were still to be paid. Determine Aman's income as per 'Accrual' basis of accounting	1
6	Find the correct statement <ol style="list-style-type: none"> A. Decrease in income is credited B. Increase in expenses is credited 	1

	<p>C. Increase in revenue is debited D. Increase in capital is credited</p>																					
7	<p>Namita has returned goods worth `25,900 to Namrita. Which 'Source document' will be prepared by Namrita?</p> <p>A. Invoice B. Debit note C. Credit note D. Cash Memo</p>	1																				
8	<p>A transaction with one debit and one credit in a simple transaction and the accounting vouchers prepared for such transaction is known as _____</p>	1																				
9	<p>If the transaction is properly analysed and recorded:</p> <p>A. Only two accounts will be used to record the transaction B. One account will be used to record transaction C. One account balance will increase and another will decrease D. Total amount debited will be equal to total amount credited</p>	1																				
10	<p>Match the following</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Column 1</th> <th colspan="2" style="text-align: center;">Column 2</th> </tr> </thead> <tbody> <tr> <td style="width: 5%;">a</td> <td style="width: 45%;">Book of legal evidence</td> <td style="width: 5%;">1</td> <td style="width: 45%;">Ledger</td> </tr> <tr> <td>b</td> <td>Are balanced and carried forward to next accounting period</td> <td>2</td> <td>Temporary accounts</td> </tr> <tr> <td>c</td> <td>Book of analytical records</td> <td>3</td> <td>Journal</td> </tr> <tr> <td>d</td> <td>Closed at the end of accounting period by transferring them to Income statement</td> <td>4</td> <td>Permanent accounts</td> </tr> </tbody> </table> <p>Options</p> <p>A. a1, b2, c3, d4 B. a3, b4, c1, d2 C. a4, b3, c2, d1 D. a3, b2, c4, d1</p>	Column 1		Column 2		a	Book of legal evidence	1	Ledger	b	Are balanced and carried forward to next accounting period	2	Temporary accounts	c	Book of analytical records	3	Journal	d	Closed at the end of accounting period by transferring them to Income statement	4	Permanent accounts	1
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11	<p>Sunila gets a definite sum every month from the organisation for meeting small expenses. It's balance is found at the end of each month to restart for next month. The amount to be paid to Sunila at the beginning of every month is Known as _____ amount</p>	1																				
12	<p>The following balances appeared in the books of Anil on 1/4/2022</p> <p>Assets:</p> <ul style="list-style-type: none"> ➤ Cash `4,000 ➤ Bank `10,000 ➤ Stock `27,000 ➤ B/R `23,500 ➤ Boiler and Machinery `30,000 <p>Liabilities:</p> <ul style="list-style-type: none"> ➤ B/P `10,000 ➤ Capital `1,00,000 <p>Pass the opening Journal entry</p>	1																				
Or																						
12	<p>The following balances appeared in the books of Sanchita on 1/4/2022</p> <p>Assets:</p> <ul style="list-style-type: none"> ➤ Cash `30,000 ➤ Bank `10,000 ➤ Stock `80,000 ➤ Furniture `7,200 	1																				

	Debtors ₹ 48,000 Liabilities: Bank loan ₹ 20,000 Creditors ₹ 25,000 Pass the opening Journal entry	
13	Statement 1: Depreciation on Fixed asset is an expense and is debited to Profit & Loss a/c Statement 2 : Depreciation cannot be provided in case of loss in a Financial year Which of the following options is correct? A. Only statement 1 is true and 2 is false B. Only statement 2 is true and 1 is false C. Both statement 1 and 2 are true D. Both statement 1 and 2 are false	1
Or		
13	Assertion (A): Fall in the value of 'Copyright' from ₹ 50000 to ₹ 20000 over 3 years is 'Amortization' Reason (R): The term 'Amortization' is used to write off Intangible Fixed Assets over their useful life Which of the following is correct? A. Both A and R are correct and R is the correct explanation of A B. Both A and R are correct but R is not the correct explanation of A C. A is True but R is False D. A is False but R is True	1
14	Ram is running a cloth business in Delhi. He purchased a machinery on credit for ₹ 1,00,000. Identify the 'Subsidiary Book' where it is to be recorded/shown.	1
Or		
14	Sita is running a business of Electrical goods in Haryana. She sold Electronic goods on credit to Laxman for ₹ 10,000. Identify the 'Subsidiary Book' where it is to be recorded/shown.	1
15	Classify the following error into: A. Error of omission B. Error of commission C. Compensating error D. Error of Principle Transaction (Error): Sale of goods on credit to Shilpa for ₹ 620 was recorded in Sales book but not posted to Ledger	1
Or		
15	Classify the following error into: A. Error of omission B. Error of commission C. Compensating error D. Error of Principle Transaction: Veenu's a/c was debited in excess by ₹ 1080 while Veena's a/c and Venu's a/c were debited by ₹ 500 and ₹ 580 less respectively.	1
16	Satyam is a talented fashion designer and has created his own fashion label 'Fashionista'. He had ₹ 10,00,000 in his savings a/c and decided to launch his label. He thought that his funds were insufficient and he borrowed ₹ 5,00,000 from his father and took a loan of ₹ 10,00,000 from SBI. He rented a shop in 'City Mall' and spent ₹ 3,00,000 in furnishing it. He bought dress materials and other consumables from Shivam for ₹ 5,00,000 and paid 40% amount immediately. Mall maintenance expenses were ₹ 15,000 of which he paid ₹ 5,000 immediately. Calculate the following from the above information:	3

	<ol style="list-style-type: none"> 1. Creditors 2. Lenders 3. Outstanding expenses 																									
	Or																									
16	<p>On 1/1/2022 Rajat started a stationery business and invested ₹ 15,00,000 from his personal sources and he took a loan of ₹ 20,00,000 from his friend Sambhav @ 12% p.a. interest. He rented a shop in Sadar bazar at a rent of ₹ 10,000 p.m. and paid ₹ 60,000 to the landlord Mr. Manu as rent for 6 months. He purchased goods of ₹ 10,00,000 from Raghav and paid 50% amount immediately. He sold goods costing ₹ 1,00,000 for ₹ 1,20,000 to Garima for cash. He also sold goods costing ₹ 50,000 for ₹ 75,000 to Nishant on a credit of 15 days. He also sold scrap for ₹ 2,000 to Monu (kabadiwala) who promise to pay the amount after 7 days. He had ₹ 5,00,000 as surplus funds and purchased shares of Reliance limited with the surplus funds. He also earned a dividend from the shares of Reliance limited. The books are closed on 31st March each year. Calculate the following from the above case:</p> <ol style="list-style-type: none"> 1. Debtors 2. Prepaid expenses 3. Investments 	3																								
17	<p>Rectify the following errors in the books of Tripti</p> <ol style="list-style-type: none"> 1. Machinery purchased from Khyati for ₹ 50,000 was recorded in purchase book as ₹ 5,00,000 2. Goods purchased from Aarti for ₹ 10,000 was debited to Aarti in the Ledger 3. Sales book was overcast by ₹ 5,000 	3																								
18	<p>Prepare Accounting equation from the following transactions of Karvy</p> <ol style="list-style-type: none"> I. The following balances appeared in the books of Karvy on 1/1/22 <ul style="list-style-type: none"> ✓ Cash in hand ₹ 5,000 ✓ Furniture ₹ 10,000 ✓ Stock ₹ 5,000 ✓ Mehak (Debtor) ₹ 8,000 ✓ Outstanding salary ₹ 2,000 ✓ Garima (Creditor) ₹ 3,000 II. Mehak paid ₹ 5,000 on account III. Depreciate furniture by ₹ 1,000 IV. Paid insurance premium in advance ₹ 1,000 V. Paid ₹ 2000 for outstanding salary 	3																								
19	<p>Prepare a Trial Balance from the balances extracted from the books of Archit as at 31/3/2022</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Particulars</th> <th style="text-align: center;">₹</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td style="text-align: right;">3,00,000</td> </tr> <tr> <td>Closing stock (Unadjusted)</td> <td style="text-align: right;">25,000</td> </tr> <tr> <td>Salary and wages</td> <td style="text-align: right;">5,000</td> </tr> <tr> <td>Outstanding advertising expenses</td> <td style="text-align: right;">5,000</td> </tr> <tr> <td>Investment</td> <td style="text-align: right;">2,00,000</td> </tr> <tr> <td>Opening stock</td> <td style="text-align: right;">50,000</td> </tr> <tr> <td>Purchases</td> <td style="text-align: right;">2,00,000</td> </tr> <tr> <td>Discount received</td> <td style="text-align: right;">1,500</td> </tr> <tr> <td>Carriage inwards</td> <td style="text-align: right;">1,500</td> </tr> <tr> <td>Interest on investments</td> <td style="text-align: right;">20,000</td> </tr> <tr> <td>Capital</td> <td style="text-align: right;">1,05,000</td> </tr> </tbody> </table>	Particulars	₹	Sales	3,00,000	Closing stock (Unadjusted)	25,000	Salary and wages	5,000	Outstanding advertising expenses	5,000	Investment	2,00,000	Opening stock	50,000	Purchases	2,00,000	Discount received	1,500	Carriage inwards	1,500	Interest on investments	20,000	Capital	1,05,000	3
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20	<p>The following information are given by Sunita traders</p> <ol style="list-style-type: none"> 1. A machine is estimated to run for 10 years and the total amount of repairs is estimated to be ₹ 10,000 during its life time. It was decided that ₹ 1000 will be debited to Profit & Loss a/c 	3																								

	<p>2. There is another machine in the organisation that need to be replaced after 10 years. For replacing the machinery, a fund is created of `10,00,000 from its profits and this fund is supposed to be invested in securities market</p> <p>a) Identify which one is 'Reserve' and which one is 'Provision'</p> <p>b) Distinguish between 'Reserves' and 'Provisions' on the basis of presentation in the Balance sheet</p>	
Or		
20	<p>1. Sunil traders has written off excess depreciation on its fixed assets. Identify and explain the reserve involve in this case.</p> <p>2. Distinguish between 'Revenue reserve' and 'Capital reserve' on the basis of 'Source of creation'</p>	3 (2+1)
21	<p>Identify and explain the Accounting Principles/Concepts/Conventions followed or violated in the following situations:</p> <p>I. 'Puri and Sons' is following the policy of valuing the closing stock at cost price irrespective of the fact that its market price is significantly lower than the cost price</p> <p>II. 'Jain and Sons' is in Garments business. Their accountant prepared a single set of Financial statements for the time period from 1/4/2019 to 31/3/21</p>	4 (2+2)
22	<p>From the following information provided by Krish, prepare a Bank Reconciliation Statement as on 31/8/22</p> <p>1. Balance as per Cash Book `10,000 (Credit)</p> <p>2. Krish had issued cheques of `21,000 during August 2022 but cheques of only `15,000 were presented for payment in August</p> <p>3. Direct deposit in bank by customer 'Aashna' `10,000 was not recorded in Cash book</p> <p>4. Debit side of cash book was overcast by `2,000</p>	4
Or		
22	<p>Prepare a Bank reconciliation statement as on 30/9/2022 from the information provided by Annwasha</p> <p>1. Credit balance as per pass book `5,000</p> <p>2. Annwasha deposited cheques of `10,000 in the month of September 2022 but they were recorded in cash column of cash book https://www.upboardonline.com</p> <p>3. Insurance premium `8,000 paid by bank as per the standing instructions of Annwasha was not recorded in cash book</p> <p>4. Bank credited `4,000 by mistake and this was not reflected in cash book.</p>	4
23	<p>On 1st August 2019, Shizuka Ltd. purchased a machinery for Rs.3,00,000. On 1st November, 2020 another machinery was purchased for Rs.1,80,000. On 1st July 2021, the machine purchased on 1st August, 2019 was sold for Rs. 1,68,000 and on the same date a fresh machinery was purchased for Rs.2,00,000. Depreciation was provided @ 10% p.a. on the Reducing Balance Method. Books are closed on 31st March every year.</p> <p>You are required to prepare Machinery Account and Provision for Depreciation Account for three years ending 31st March, 2022.</p>	6
24	<p>Record the following transactions in the double column Cash Book of 'Vertika'. Prepare Journal proper if required.</p> <p>1/1/22 Cash in hand `2,500 and at bank `25,000</p> <p>2/1/22 Received a cheque of `10,000 from Jeetansh</p> <p>3/1/22 Paid Salaries by cheque `5,000 and cash `2000</p> <p>4/1/22 Dividend collected by bank `2,500</p> <p>5/1/22 Cheque received from Jeetansh deposited in bank</p> <p>6/1/22 Withdrew `2,500 from bank for office use</p>	6

25	Journalise the following transactions in the books of Mohan assuming CGST and SGST @6% each 1. Purchased goods from Chetan of list price `50,000 less 10% trade discount 2. Sold goods to Pankaj of list price `20,000 less 5% trade discount 3. Purchased machinery costing `1,25,000 4. Pankaj returned goods of list price `3,000 5. Mohan withdraws `5,000 from bank and goods of purchase price `5,000 for personal use 6. Provide 10% depreciation on machinery	6
Or		
25	Journalise the following transactions in the book of M/S Hiralal and prepare Ledger accounts of Harshit and Purchase 1. Sold goods to Harshit of list price `30,000 and to Harshita of list price `50,000 at a trade discount of 10% on 1 st April, 2022. 10% cash discount may be availed if they make the payment on or before 15 th April, 2022. Harshit gave a cash to clear his dues on 14 th April, 2022 and Harshita paid for her dues by cheque on 28 th April, 2022 2. Mohan Lal and Sons sold goods to us of list price `90,000 @20% trade discount. He accepted 1/3 rd of the payment through a draft and they allowed a cash discount of 7.5% on 28 th April	6
PART – B		
26	On 25 th March, 2022 goods worth `30,000 were destroyed by fire. The stock was fully insured; however, the insurance company admitted a claim of `20,000 only. How will it be treated in the final accounts of the year 2021-22	1
27	Calculate Gross profit if Sales are `4,00,000 and the rate of Gross profit is $3\frac{2}{3}\%$ on cost of goods sold.	1
28	Rearrange the following assets in order of 'Liquidity' i. Computer software ii. Debtors iii. Stock iv. Plant Options: A. (i), (ii), (iii), (iv) B. (iii), (iv), (i), (ii) C. (ii), (iii), (iv), (i) D. (iv), (i), (iii), (ii)	1
29	Royalty paid by Publishing house to the author of the book is charged to Trading a/c. Is it correct treatment? Justify	1
30	'A' limited is business organisation based in Haryana. During the year 2021-22 `6,000 were spent on repairing the machines. They also spent `25,000 on annual white washing of the building. Identify the expenditure/expenditures and also calculate the amount for the identified expenditure/expenditures	1
Or		
30	'B' limited spent `1800 on freight of a newly purchased machinery and `20,000 towards additions to the machinery. Identify the expenditure/expenditures and also calculate the amount for the identified expenditure/expenditures	1
31	Compute 'Operating Profit' from the following information ✓ Gross profit `1,00,000 ✓ Salaries `5,000 ✓ Audit fees `2,000 ✓ Lighting `2,500	

- ✓ Gain on sale of machinery `7,700
- ✓ Insurance premium `3,400
- ✓ Donations `4,200
- ✓ Loss on sale of furniture `10,800
- ✓ Advertisement `8,200
- ✓ Bad debts `4,800
- ✓ Interest on loan `3,600

3

- 32 The following balances appeared in the Trial Balance of M/s Doraemon traders as at 31/3/2022
- ✓ Debtors `6,10,000
 - ✓ Bad debts `6,000
 - ✓ Provision for bad debts `40,000
- Further bad debts were `10,000 and they decided to maintain a provision for bad debts @10%.
Pass the necessary Journal entries

4

- 33 Pass necessary adjustment entries and closing entries for the following adjustments
1. Goods worth `9,000 were used by proprietor for personal use
 2. Sign board costing `4,000 was included in Advertising expenses of `25,000
 3. Private purchases `6,000 were paid from personal saving bank a/c of the proprietor
 4. Fire insurance premium `1,800 paid during the year included `1,200 paid on 1/7/2021 to run for one year till 30/6/2022
 5. Provide for manager commission @10% of Net profit after charging such commission. The net profit transferred to capital was `20,623

6

- 34 Following is the Trial Balance of Mrs. Gupta as at 31/3/22

Particulars	Debit Balance	Credit Balance
Drawings and Capital	17,600	1,00,000
Purchase and Sales	80,000	1,40,370
Returns	4,240	2,820
Stock (1/4/21)	11,460	
Bad debts	1,400	
Provision for bad debts		3,240
Rates and Insurance	1,300	
Discount		190
Bills receivable	1,240	
Wages	6,280	
Building	25,000	
Rent		2,100
Freight on sales	16,940	
Carriage	2,310	
Office expenses	1,340	
Printing and stationery	660	
Postage and Telegram	820	
Debtors and Creditors	62,070	18,920
Cash in hand	12,400	
Cash at bank	2,210	
Salaries and Commission	9,870	
Furniture	3,500	
Additions to Building	7,000	
	2,67,640	2,67,640

6

Prepare Trading and Profit & Loss a/c only for the year ended 31/3/2022

1. Depreciate old Building by `625 and the addition to Building @2% and Furniture at 5%
2. Write off further bad debts `570 and increase provision for bad debts to 6% of Debtors
3. Rent receivable is `200
4. Stock was valued at `14,290 (cost) whereas its market price was `15,290

Or

34

Following is the Trial Balance of M/s Divya as at 31/3/22

Particulars	Debit Balance	Credit Balance
Opening stock	40,000	
Rent	2,000	
Capital		2,70,000
Creditors		50,000
Plant and Machinery	1,20,000	
Bill payable		50,000
Land and Building	2,55,000	
5% Loan		1,10,000
Power	1,500	
Discount		1,500
Purchases	75,000	
Sales		1,50,000
Returns	2,500	
Provision for bad debts		1,000
Internet and Postage	400	
General reserve		50,000
Wages	4,500	
Salaries	2,500	
Insurance	3,200	
Repairs	3,000	
Legal charges	6,400	
Debtors	75,000	
4% Investments	65,000	
Commission	2,480	
Drawings	20,020	
Bad debts	2,000	
	6,82,500	6,82,500

Adjustments:

1. Closing stock ` 35,500
2. Depreciate Plant and Machinery by 5% and Land and Building by 6%
3. Write off further bad debts ` 2,500 and discount on Debtors is ` 1,450 and Provision for bad debts is to be maintained @5%
4. Salaries outstanding ` 200, Wages due ` 100 and Unexpired Insurance ` 500
5. Gross Profit was calculated to be ` 59,900 for the year ended 31/3/2022
6. Prepare Profit & Loss a/c and Position Statement only

6

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