**GULF SAHODAYA (SAUDI CHAPTER) EXAMINATION -2018**

**SUBJECT: ACCOUNTANCY MAXIMUM MARKS: 90**

**CLASS:XI TIME: 3 HOURS**

 **General instructions:**

1. ***All questions are compulsory to attempt.***
2. ***Marks are indicated against each question.***
3. ***Draw proper format wherever required.***
4. ***Use of calculator is not allowed.***

**PART –A (FINANCIAL ACCOUNTING –I)**

|  |  |
| --- | --- |
| 1. State any two objectives of accounting.
 | **(1)** |
| 1. What do you meant by depreciation?
 | **(1)** |
| 1. List out any two reasons for difference between balance of bank column in cash book and balance of passbook.
 | **(1)** |
| 1. Amount invested by proprietor is considered as liability to business is an example of ------------- concept.
2. What do you meant by error of omission? Give any one example.
 | **(1)****(1)** |
| 1. Explain the following terms:
2. Debtors
3. Capital
4. Goods
 | **(3)** |
| 1. Give journal entries for the following transactions.
2. Salary outstanding ₹ 7,000.
3. Goods given as free samples ₹ 500.
4. Paid cash ₹ 38,000 in full settlement of a creditor ₹ 40,000
 | **(3)** |
| 1. Prepare accounting equation from the following transactions.
2. Sudha started business with cash ₹50,000 and furniture worth ₹ 50,000.
3. Purchased goods worth ₹ 10,000 for cash and ₹ 7,000 on credit.
4. Cash sales (goods costing ₹4,000) ₹ 5,000
5. Following are the information extracted from Hollywood men’s fashion. You are required to prepare purchase day book.

|  |  |
| --- | --- |
| 2018 Jan - 3  | Purchased from Reliance fashion store(invoice no . 723)20 Casual shirting’s @ ₹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 MohsinLess trade discount 50% |

 | **(3)****(4)** |
| 1. Prepare bank reconciliation statement as on 30 -Jan -2018.
2. Overdraft as per cash book ₹ 20,500
3. A cheque of ₹ 6000 deposited into bank but not credited.
4. Bank collected dividend ₹ 11,500 not entered into cash book.
5. Cheque issued to suppliers ₹ 27000, not cleared.
6. Interest on overdraft ₹ 1,125.
 | **(4)** |
| 1. Explain the role of accounting information.
 | **(4)** |
| 1. Explain the following accounting principles
2. Dual aspect concept.
3. Materiality concept.
4. Matching concept.
 | **(6)** |
| 1. 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. 1. Enter the following transaction in double column cash book.

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

1. 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)****(4+2)** |
| 1. ‘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)** |
| **PART –B (FINANCIAL ACCOUNTING –II)**. |  |
| 1. Give any two examples of current assets.
2. What is meant by adjustment entry? Why it is necessary to pass adjustment entry?
 | **(1)****(3)** |
| 1. 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

Stock of stationary as on 1-4 2016 ₹ 40,000Stock of stationary as on 31-3-1017 ₹ 30,000Amount paid for purchase of stationary during the year ₹ 1,50,000Creditors for stationary as on 1-1 2016 ₹ 20,000Creditors for stationary as on 31-12 2017 ₹ 15,0001. Mr. Hassanruns a hardware shop. He maintains books under single entry system. The books of records providing following information.

|  |  |  |
| --- | --- | --- |
| 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. | **(3)****(3)** |
| 1. Compare the advantages of computerized accounting system over manual accounting system.
2. Differentiate income and expenditure account and receipts and payments account.
 | **(4)****(4)** |
| 1. Explain the meaning and difference between Ready -to- Use and Tailored accounting soft wares.
 | **(6)** |
| 1. (a). Bharatiya Grameen Mahila Sangh 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

|  |  |  |  |
| --- | --- | --- | --- |
| Receipts  | ₹ | Payments  | ₹ |
| Cash in handCash at bankSubscriptions ( including ₹1,000 for 2015-16 and ₹1500 for 2017-18) Interest on investments Bank interestSale of furniture  | 5005,65045,50020,0002503,000 | By SalariesBy Fees for trainers and moderators By Funding of charitable activityBy Rent of old age homesBy Books By Cash in hand By Cash at bank  | 24,0007,5005,55011,50010,0001,55014,800 |
|  | 74,900 |  | 74,900 |

Following additional information also supplied to you:1. 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 ₹ 2,000.1. On 31 -12 2017 Rent o/s ₹ 800 and salaries o/s ₹ 2,500.
2. 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 at1-1-2017. Also Identify any two values which the association wants to convey to the society.**OR** | **(8)****(8)** |
|  (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 To SubscriptionsTo Proceeds from charity show To Donations Interest @ 8% for full year on investments | 71,3004,70,0001,60,0001,45,70024,000 | By Salaries By Expenses On charity show BY Medicines By Equipment By Scholarship ExpensesBy Honorarium By Balance C/d | 75,0008 0,0003,00,0002,35,00015,000100,70065,300 |
|  | 8,71,000 |  | 8,71,000 |

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

You are required to :Prepare income and expenditure account for the year ended 31-12-2017and ascertain capital fund as on 1-1-2017. Also identify any two values highlighted in the above case. 1. (a). From the following trial balance Prepare Trading and Profit and Loss Account and Balance Sheet of Naser Traders

|  |  |  |  |
| --- | --- | --- | --- |
| 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:1. Write off further bad debt ₹ 4,300.
2. Make provision for doubtful debtors @ 5% on debtors.
3. Charge depreciation on building and furniture @ 10 % p.a.
4. Value of stock as on 31-03 -2017 ₹ 90,000.
5. 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  | 35,000 |  |
| Factory lighting  | 18,000 |  |
| Drawings and Capital | 11,000 | 2,00,000 |
| Insurance  | 4,000 |  |
| Cash  | 2,000 |  |
| Bank overdraft  |  | 25,000 |
| Buildings  | 120,000 |  |
| Motor car | 60,000 |  |
| Rent Received |  | 9,000 |
| Commission  | 5,300 |  |
| Total  | 6,33,000 | 6,33,000  |

Additional information:1. Outstanding wages ₹500 .
2. Unexpired insurance @ ₹200.
3. Stock was valued @ ₹15,500 on 31st Dec 2016.
4. Depreciate motor car and building @ 10% p. a.
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