

## M.L Khanna DAV Public School

Sector VI, Dwarka, New Delhi 110075

### Mid Term(PT-II) Examination 2023-24

Class : XI

Subject: Accountancy

Duration: 3 hours

MM: 80

#### General Instructions:

- (1) All parts of question should be attempted at one place.
- (2) 25% marks allotted to the questions would be deducted for not using the correct formats, narrations and working notes.
- (3) Show your workings clearly.

1. Which of the following are not goods?
  - a) Stationery and books purchased by a book-seller.
  - b) Board and ply purchased by a timber merchant.
  - c) Fast moving consumer goods purchased by a Grocery store.
  - d) Computer and printer purchased by a chemist. (1)
2. Creditors are mainly interested in .....
  - a) Profit of the business
  - b) Timely payment of their dues
  - c) Assets of the business.
  - d) Volume of sale (1)
3. Which of the following is not one of the objectives of accounting?
  - a) Providing information to its users
  - b) Purchasing Hi-Tech machinery for the business
  - c) Maintaining of accounting books
  - d) Computation of annual profit (1)
4. Paid to Rahul on behalf of Sanjay ₹12,000 will be debited to \_\_\_\_\_
  - a) Rahul's Personal Account
  - b) Sanjay's Account
  - c) Drawings Account
  - d) Cash Account (1)

5. State any one internal and one external user of accounting information. (1)
6. Which of the following is not a limitation of accounting?  
a) Based on accounting conventions  
b) Evidence in Legal Matters  
c) Incomplete Information  
d) Omission of Qualitative Information (1)
7. Which of the following activities will not result in creation of liability for the business?  
a) Telephone bill was received and was paid off  
b) An employee worked for a month and his salary was not paid  
c) Computer was bought for business use and was not paid for  
d) Business borrowed some amount from bank as loan for 6 months. (1)
8. Gautam is our debtor for ₹10,000. He became insolvent and only 60 paise in a rupee is received from him. The balance of ₹4,000 would be entered to the:  
a) Debit of Discount A/c  
b) Credit of Discount A/c  
c) Debit of Bad-Debts A/c  
d) Credit of Bad-Debts A/c (1)
9. When a firm maintains a cash book, it doesn't need to maintain \_\_\_\_\_  
a) Journal proper.  
b) Purchases book.  
c) Sales book.  
d) Bank and cash account in the ledger. (1)
10. The total of sales book is transferred to sales account by the words  
a) To sundries as per sales book  
b) By sundries as per sales book  
c) To sundries as per return inward book  
d) To sundries as per return outward book (1)
11. The balance of petty cash is :  
a) Expenses  
b) Profit  
c) Asset  
d) Liability (1)

12. Discount previously allowed but later on disallowed is recorded in

- a) Cash book
- b) Purchase book
- c) Sales book
- d) Journal proper (1)

13. Give two examples of contra entry. (1)

14. On 1st April 2022, balance of cash column of cash book was ₹10,000. After receiving ₹2,000 from Anil in cash , giving a cheque of ₹3,200 to Sunil and making payment of wages ₹500, balance of cash will be: (1)

15. Mohan (Debtor) from whom an amount was due, declared insolvent and paid only 60 paise in a rupee. Total bad debts from him were written off ₹7,200. What was the amount actually due from Mohan?

- a) ₹24,000
- b) ₹12,000
- c) ₹18,000
- d) ₹16,500 (1)

16. A cheque of ₹20,000 received from Mr. Jones is dishonored, it will be recorded on \_\_\_\_\_ side and amount will be entered in \_\_\_\_\_ column.

- a) Credit, Cash
- b) Credit, Bank
- c) Debit , Bank
- d) Debit, Cash (1)

17. Amount due from Rocky (Debtor) ₹50,000 and received a cheque from him in full and final settlement of his account after discount of 2%. Identify the correct entry from the following: (1)

- |                 |     |                          |        |
|-----------------|-----|--------------------------|--------|
| a) Rocky's A/c  | Dr. | 50,000                   |        |
|                 |     | To Discount Received A/c | 1,000  |
|                 |     | To Bank A/c              | 49,000 |
| b) Bank A/c A/c | Dr. | 49,500                   |        |
|                 |     | Discount Allowed A/c     | 500    |
|                 |     | To Rocky                 | 50,000 |
| c) Bank A/c A/c | Dr. | 49,500                   |        |
|                 |     | Discount Allowed A/c     | 1000   |
|                 |     | To Rocky                 | 50,000 |

d) Rocky's A/c	Dr.	50,000	
	To Discount Received A/c		500
	To Bank A/c		49,500

18. Is credit balance of bank column of cash book as asset or liability of the firm? (1)
19. Imprest amount is ₹5,000. What will be the amount of reimbursement if the following expenses were incurred by the petty cashier during the month  
wages = ₹1,450, Tiffin = ₹1,050, small repairs = ₹500, general expenses = ₹400 (1)
20. Goods costing ₹30,000 supplied to Mohan at a profit of 25% on cost price less Trade discount @5% will be credited to Sales A/c with:  
a) ₹35,625  
b) ₹37,500  
c) ₹38,000  
d) ₹34,200 (1)
21. From the following Balance Sheet of M/s Lakshman calculate the amount of:  
(i) Current Assets  
(ii) Fixed Tangible Assets  
(iii) Current Liabilities (3)

Liabilities	Amount(₹)	Assets	Amount (₹)
Capital	38,800	Machinery	10,000
Bank Loan (3 years)	20,000	Land and Building	20,000
Creditors	24,000	Goodwill	19,800
Bank Overdraft	2,000	Bills Receivable	12,000
O/s Salaries	2,000	Debtors	24,000
		Cash	1,000
	<b>86,800</b>		<b>86,800</b>

22. Surender Mohan started business on 1st April, 2022 with capital of ₹7,50,000 and a loan of ₹2,00,000 taken from Punjab National Bank. On 31st March, 2023 his assets were ₹15,00,000. He had introduced additional capital of ₹1,25,000 and had withdrawn ₹40,000 for personal purposes.

Find out his capital on 31st March, 2023 and profits made or losses incurred during the year 2022-23. (3)

23. "Mr. A had been doing the business of manufacturing toys since 2019. During the year 2023, a likely loss of ₹50,000 on account of bad and doubtful debts was foreseen in the business. A likely gain of ₹25,000 on account of getting discount on creditors was expected to be received. Mr. A ignored the loss due to bad debts and considered the gain due to discount on creditors while preparing final accounts. Which accounting concept will it violate ? Explain the concept. (3)

24. Explain any three qualitative characteristics of accounting information. (3)

25. Briefly answer the following questions:

- i. Mr. Ganapati, the proprietor of a business, sold his residential house for ₹50 lakhs. Will it be recorded in the books of accounts? Why/Why not?
- ii. Miss Priti, an electronic goods dealer, gifted a washing machine valued ₹25,000 out of her stock to her friend Suruchi. Will it be recorded in the books of accounts? If yes, how? If no, Why?
- iii. A firm has received a large order to supply the goods. Will it be recorded in the books? Why/Why not? (3)

26. During a year, a school had the following transactions :

- i. Collected fees from parents ₹2,40,000
- ii. Paid for electricity bill ₹12,000
- iii. Paid for salary for teachers and other staff ₹1,20,00
- iv. Purchased chalks, dusters, registers etc ₹8,000
- v. Purchases students' desks and chairs ₹45,000
- vi. Constructed new toilets and class rooms ₹45,000.

Calculate the following amounts of the school

- a) Revenue
- b) Capital Expenditure
- c) Expenses (3)

27. Harvey started his profession on April 1, 2022 as a consultant .His revenues and expenses for the period ending March 31, 2023 were as follows:

	₹
Fees received in cash	90,000
Fees outstanding but not received	15,000
Salary of staff paid	12,000

Salary of staff outstanding	5,000
Rent of the office paid	12,000
Rent paid in advance (included in the above)	3,000
Miscellaneous expenses paid	2,000

Calculate the income of Harvey on:

(1) Cash basis and (2) Accrual basis. (4)

28. Prepare Accounting Equation from the following transactions in the Books of Parth :

- Parth sold a piece of his personal land in his village for ₹ 1,20,000 and started a business with cash ₹ 60,000 and a deposit of ₹40,000 in the bank.
- Purchased goods for ₹15,000 from Mr Gupta and paid only 40% in cash and balance he promised to pay next month to him.
- Sold goods costing ₹ 8,000 for ₹ 7,500 in cash.
- Rent received by cheque ₹5,000 (including ₹2,000 in advance)

(4)

29. (a) Pass journal entries for the following:

- A new machine of ₹2,40,000 was purchased from Machine Tools Ltd. An old machine valued at ₹50,000 was given in exchange. The old machine was the personal asset of the proprietor.
- Supplied goods costing ₹6,000 to Shakuntala, issued invoice at 10% above cost less 5% trade discount.

(b) Classify the following accounts into Personal , Real and Nominal Accounts

- |                              |                          |
|------------------------------|--------------------------|
| (i) Bank A/c                 | (ii) Ram (Debtor)        |
| (iii) Outstanding Salary A/c | (iv) Purchases A/c (2+2) |

30. Enter the following transactions in a double column cash book .Also prepare journal proper if required.

2023	Particulars
Jan 1	Cash in hand 2,300; Bank Overdraft 12,000
Jan 5	Purchased goods for ₹40,000; Trade Discount 15%. Payment made by cheque
Jan 6	Sold goods for ₹30,000; Trade Discount 10%; received by cheque
Jan 7	Cheque received from S Nair ₹4,000, Discount allowed ₹200
Jan 9	Cheque received from S. Nair deposited in bank
Jan 20	Money withdrawn from bank for office use ₹3,400
Jan 23	Fees of children paid by cheque ₹1000
Jan 25	Cheque received from Hira and endorsed it to Sunita on 27th Jan ₹4,500
Jan 27	Bank Charges ₹ 20

(6)

31. You are required to fill the missing journal entries

Date	Particulars	LF	Debit (₹)	Credit (₹)
1	Gursharan Dr. To..... To discount received A/c (Payment made by cheque and discount received at 4%)		.....	..... 2,400
2	..... Dr. To Bank A/c To .....		.....	..... .....
3	..... Dr. To .....		.....	.....
4	..... Dr To .....		.....	20,000

5	<p>..... Dr.                  ..... Dr.                  To .....</p> <p>(Paid rent by cheque ₹30,000. One third of the premises is occupied by the proprietor for his residence)</p>		<p>.....                  .....</p>	<p>.....</p>
6	<p>..... Dr.                  To.....</p> <p>(Custom duty paid by cheque on import of a new machinery) ₹20,500</p>		<p>.....</p>	<p>.....</p>

(6)

32. Enter the following transactions in proper Subsidiary Books. The following balances existed in the books of Gopaljee Bros. on 1st April 2023:

**Assets**-Cash in hand ₹40,000; Cash at bank ₹60,000; Debtors: Amar & Co. ₹34,000; Brij Kishore ₹26,000; Charan Dass ₹42,000; Stock ₹2,05,000 and Furniture ₹90,000.

**Liabilities**: Creditors: Mohan Silk Ltd ₹15,000.

Following transactions took place during the month of April :

2023	Particulars
April 4	Purchased goods from Jindal Trading Co. 200 metre Silk @ 80 per metre 100 metre cotton @ ₹40 per metre Less: Trade Discount @10%
April 6	Sold goods to Radha Krishan & Co. 50 metre Silk @125 per metre 40 metre Cotton @ 60 per metre Less: Trade Discount @8%
April 10	Returned to Jindal Trading Co. 20 metre Silk and 15 metre Cotton (Trade discount 10%)
April 15	Depreciation charged on Furniture ₹2,000.

(6)

33. Journalize the following transactions and post them into the ledger accounts and balance them:

2022	Particulars	Amount (₹)
July 1	Started business with cash	1,00,000
July 7	Bought goods from Suyash	90,000
July 20	Sold goods to Gautam	50,000
July 25	Received from Gautam in full settlement of his account	49,000

(6)

34. Journalise the following transactions for M/s Ram & Sons.

- i. Purchased a motor car for the business for ₹3,00,000 and paid ₹25,000 for its repair and renewal. Entire payment is made by cheque.
- ii. Rent due to landlord ₹10,000 and salary due to clerks ₹80,000.
- iii. Received by cheque, a first and final payment of 70 paise in a rupee from Yogesh who owed us ₹10,000
- iv. Received an order from Chandu for goods of ₹4,00,000 along with a cheque of 10% of the order as advance.
- v. Devendra purchased from us goods for ₹40,000 and the payment was received by cheque.
- vi. Sold goods costing ₹10,000 at a profit of 25% on cash. (6)