** SINDHI HIGH SCHOOL, HEBBAL**

**Final Examination [2024-25]**

**Subject: Accountancy (055)**

**Class: XI Max Marks: 80**

**Date: 17.02.2025 SET B Reading Time: 8:30 - 8:45 am  
No. of Sides: 05 Writing Time: 8:45 - 11:45 am** *General Instructions:*

1. *This question paper contains 33 questions. All questions are compulsory.*
2. *This question paper is divided into two parts: Part A & B.*
3. *Part – A: (Financial Statement - I).*

*Part – B: (Financial Statement - II).*

1. *Question Nos.1 to 16 & 26 to 29 carries 1 mark each.*
2. *Questions Nos. 17, 18, 30 & 31 carries 3 marks each.*
3. *Questions Nos. from 19 ,20 & 32 carries 4 marks each.*
4. *Questions Nos. from 21 to 25 & 33 carries 6 marks each.*
5. *There is no overall choice. However, an internal choice has been provided in 7 questions of one mark, 2 questions of three marks, 1 question of four marks & 2 questions of six marks.*

**PART A**

**(Financial Statement - I)**

1. Creation of reserves: **(1)**  
   a) Increases the profits   
   b) Decreases the divisible profits   
   c) Decreases the profits   
   d) Increases the divisible profits:
2. Which of the following is revenue?  **(1)**  
   a) Sales b) Purchases c) Salary Payable d) Purchases Return
3. The Sales Book:  
   a) is a part of the Ledger.   
   b) is a part of the Balance Sheet.   
   c) is a part of the Journal.   
   d) is a part of the Trial Balance. **OR (1)**Accounting equation is based on:  
   a) Single Entry concept b) Both   
   c) Dual Entry concept d) None
4. Current Liabilities include: **(1)**a) Bills Payable b) Debentures   
   c) Capital d) Long-term Loans
5. In a business Purchases refers to the: **(1)**a) All of these   
   b) Purchase of goods for resale.   
   c) Purchase of an asset to be used in factory.   
   d) Purchase of an article to be used in office.
6. Calculate the amount of purchase return:   
   Return to Aman Book House, 5 Dozen Pencils @ Rs.30 per Dozen, Trade discount @10%. **(1)**  
   a) Rs.155 b) Rs.135 c) Rs.150 d) Rs.165
7. Credit Note is prepared: **(1)**a) when the debit is given to the account   
   b) when both credit and debit is given to the account   
   c) when transfer in the account   
   d) when credit is given to the account
8. Assertion (A): Bookkeeping involves summarising the classified transactions in the form of profit and loss account and balance sheet.   
   Reason (R): Bookkeeping is the art of recording in books of accounts, the monetary aspect of commercial or financial transactions. It is concerned with record keeping maintenance of books of accounts.

a) Both A and R are true and R is the correct explanation of A.   
b) Both A and R are true 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  
 **OR (1)**  
The data is classified as per American Approach for creating groups of accounts in the heads of :  
a) Assets, Owners' equity, Revenue and Expenses   
b) Assets, Capital, Liabilities, Revenue and Expenses   
c) Assets, Liabilities and Capital   
d) Capital, Revenue and Expenses

1. Voucher is prepared for:  
   a) Cash/Credit purchase b) Cash received and paid   
   c) All of these d) Cash/Credit sales

**OR (1)**When the owner invests personal cash in the business.  
a) Assets: Decrease, Liabilities: Decrease, Equity: Decrease   
b) Assets: No Effect, Liabilities: Increase Equity: No Effect  
c) Assets: No Effect, Liabilities: Decrease, Equity: No Effect   
d) Assets: Increase, Liabilities: No Effect, Equity: Increase

1. Credit purchase of furniture is recorded through:  **(1)**   
   a) Cash Book b) Purchase Book c) Purchase Returns Book d) Journal Proper
2. The position statement refers to: a) Ledger b) Trading account   
   c) Balance sheet d) Profit and loss account  
    **OR** **(1)**Book Keeping and Accounting:   
   i. means the same and are used interchangeably.   
   ii. does not mean the same and are not used interchangeably.

iii. means both (i) and (ii).   
iv. None of these.  
a) Statement (i) is correct b) Statement (iv) is correct   
c) Both statement (i) and (ii) are correct d) Statement (ii) is correct

1. Provisions are made: **(1)**a) All of these b) None of these   
   c) For depreciation on assets d) For bad and doubtful debts
2. Goods purchased on credit will increase the: **(1)**a) Debtor b) Capital   
   c) liability d) Drawings
3. Sundry Creditors Account is a: **(1)**

a) Liability Account   
b) Asset account   
c) Capital Account   
d) Revenue Account

1. Full form of IFRS: **(1)**  
   a) International financial reliable standards   
   b) International financial reporting standards   
   c) Indian financial reporting standards   
   d) International financial reporting statement
2. Which of the following transactions/events/entries can be attributed to the Matching Concept?   
   i. Outstanding expenses, though not paid in cash are shown in the profit and loss accounts.   
   ii. When insurance premium is paid partly for next year also, the part relating to next year will be shown as an expense only next year and not this year.   
   iii. Depreciation is charged as per the straight line method each and every year.a) Only (i) and (ii) b) (i) and (iii) c) Only (ii) d) (i), (ii), and (iii) **OR (1)**\_\_\_\_\_\_\_\_ reserve may or may not involve any receipts of cash.  
   a) Revenue b) Specific c) General d) Capital
3. Pass Journal entries to rectify the following errors:
4. ₹5,000 being the cost of a Refrigerator purchased for the personal use of the proprietor has been debited to Refrigerator account in the ledger.
5. Furniture taken by the proprietor for ₹1,000, has not been entered in the books at all.
6. A cheque of ₹500 received from Zeus was credited to the account of Brutus and debited to Cash instead of Bank A/c. **OR (3)**

Rectify the following errors :  
a. Credit sales to Vani ₹ 8,000 were posted as ₹ 10,000.   
b. Credit purchase from Vinay ₹ 10,000 were posted as ₹ 7,000.   
c. Goods returned to Vinu ₹ 6,000 were posted as ₹ 7,000.

1. Define the following basic accounting terms with example:   
   i. Expense ii. Capital iii. Loss  **OR (3)**Define the following accounting principles:  
   i) Accrual Concept ii) Money Measurement Concept iii) Convention of Conservatism
2. Record the following transactions in a Petty Cash Book with suitable columns for the month of April 2024. The book is kept on imprest system, amount of imprest being ₹4,000. **(4)**

April 1 Petty cash in hand ₹540,

Paid for office cleaning ₹100.

April 4 Paid railway fare ₹320, bus fare ₹280,

April 5 Bought shorthand note books for office ₹370.

April 7 Paid carriage on parcels ₹150, paid for wages ₹220.

April 10 Bought stamps for ₹300, envelopes for ₹450

April 12 Paid for repairs ₹200, gave tips to office peon ₹150.

April 13 Served tea to customers ₹250.

April 15 Paid for wages ₹160, rewards to servant ₹100.

1. From the following particulars of Mr. Vinod, prepare bank reconciliation statement   
   as on March 31, 2005. **(4)**
2. Bank balance as per cash book ₹ 50,000.
3. Cheques issued but not presented for payment ₹ 6,000.
4. The bank had directly collected dividend of ₹ 8,000 credited to bank account.
5. Bank charges of ₹ 400 were not entered in the cash book.
6. A cheque for ₹ 8,000 was deposited but not collected by the bank.
7. Cheque dishonoured but not recorded in cash book of ₹ 12,000.
8. **a)** On 1st June, 2020, S Ltd. purchased a plant for ₹ 9,00,000. On 1st December 2022 a part of the plant purchased on 1st June, 2020 for ₹ 1,50,000 was sold for ₹ 60,000. On 1st January, 2023 a new plant was purchased for ₹ 3,00,000. Depreciation is provided @ 10% p.a. on Diminishing Balance Method. The books are closed on 31st March each year. Prepare Plant A/c and Provision for Depreciation A/c for the relevant years.   
    **OR (6)**
9. **b)** Ganga Ltd. purchased a machinery on January 01, 2014 for ₹ 5,50,000 and spent ₹ 50,000 on its installation. On September 01, 2014 it purchased another machine for ₹ 3,70,000. On May 01, 2015 it purchased another machine for ₹ 8,40,000 (including installation expenses). Depreciation was provided on machinery @10% p.a. on original cost method annually on December 31st.   
   Prepare Machinery account and depreciation account for the years 2014, 2015, 2016 and 2017.
10. From the following business transactions of a business firm for the month of July 2020, prepare Accounting Equation: **(6)**

July 01: Bal. of Cash ₹1,20,000; Goods ₹45,000; Debtors ₹24,000; Capital ₹1,79,000; creditors ₹10,000.

July 05: Goods sold (costing ₹15,000) on credit to Dinesh at 20% profits on cost.

July 12: Outstanding salary ₹9,000.

July 17: Commission received in advance ₹12,000.

July 26: Goods purchased for cash ₹25,000.

July 31: Goods given as charity ₹1,000.

1. Prepare the 4 subsidiary books from the following transactions for the month February 2024 **(6)**

Feb 1 Goods sold to Sachin ₹5,000

Feb 4 Purchase from Kushal Traders ₹2,480

Feb 6 Sold goods to Manish Traders ₹2,100

Feb 7 Sachin returned goods ₹600

Feb 8 Return to Kushal Traders ₹280

Feb 10 Sold to Mukesh ₹3,300

Feb 14 Purchased from Kunal Traders ₹5,200

Feb 15 Furniture purchased from Tarun ₹3,200

Feb 17 Bought from Naresh ₹4,060

Feb 20 Return to Kunal Traders ₹200

Feb 22 Return inwards from Mukesh ₹250

Feb 24 Purchased goods from Kirit & Co, for list price   
 & 10% trade discount received ₹5700

Feb 25 Sold to Shri Chand goods   
 and trade discount allowed @ 5% ₹6600

Feb 26 Sold to Ramesh Brothers ₹4,000

Feb 28 Return outwards to Kirit & Co ₹1,000

Feb 28 Ramesh Brothers returned goods ₹500

1. Journalise the following transactions in the books of Himanshu: **(6)**

Jan. 02: Goods used for household purpose ₹ 2,000.

Jan. 08: Charge depreciation @ 10% p.a. for two months on Machinery costing ₹ 30,000.

Jan. 12: Provide interest on capital on ₹ 1,50,000 at 6% p.a. for 9 months.

Jan. 15: Goods destroyed by fire ₹ 4,500.

Jan. 19: Goods sold (list price ₹ 20,000) at 10% trade discount and at 5% cash discount, to Mukesh. Half of payment received in cash and the balance by a cheque.

Jan. 29: Invested in the shares of Government sector ₹ 50,000.

1. Record the following transactions in double column cash book of Mr. Rakesh Verma. **(6)**

Sept. 01: Balance of cash ₹22,000 and Bank overdraft ₹2,500.

Sept. 06: Received cheque on October 28th for ₹4,000 from Gaurav sent into the bank.

Sept. 10: Bank has collected and deposited: Interest of ₹6,000; Dividend of ₹8,000.

Sept. 16: Bank has paid several payments on its due date: Insurance premium of ₹3,000 and School fees of the child of Rakesh Verma ₹5,000.

Sept. 24: Cash deposited into the bank ₹12,000.

Sept. 29: Sold goods (costing ₹25,000) at 20% profit for cash

**PART B**

**(Financial Statement - II)**

1. Manohar’s Profit & Loss Account shows net profit of ₹1,76,000 before charging commission to manager. Provide for manager’s commission at 10% on the net profit after charging such commission. Net profit and managers commission is:  
   a. ₹1,76,000 and ₹17,600   
   b. ₹1,58,400 and ₹17,600

c. ₹1,60,000 and ₹16,000   
d. None of the above  
 **OR (1)**Indirect Expenses are transferred to:  
a. Trading Account b. Profit & Loss A/c c. Balance Sheet d. All of the above

1. From the following Calculate Sales: **(1)**

Gross Profit is 25% on Sales; Cost of Goods Sold is ₹3,00,000   
a) ₹2,25,000 b) ₹3,00,000 c) ₹3,75,000 d) ₹4,00,000

1. Single Entry System can be adopted by: **(1)**

a) Co-operative Societies b) Partnership firm

c) Joint Stock Companies d) Small firms

1. Balance Sheet is prepared with the balances of which of the following:

a. All balances in ledger b. Balances of Personal Accounts

c. Balances of Real Accounts d. Balances of Personal and Real Accounts  
 **OR (1)**Which of the following will be treated as drawings of the proprietor:

a. Income Tax b. Life Insurance Premium   
c. Both a & b d. Neither a nor b

1. . State with reason whether following are capital expenditure or revenue expenditure: (**3)**
2. Second-hand car was purchased for ₹1,35,000 and ₹15,000 were spent on its overhauling.
3. ₹25,000 spent on whitewashing of old factory building.
4. ₹22,500 paid for the installation of a new machine.
5. Prepare balance sheet from the following information **(3)**

Net Loss ₹4,338; Capital ₹80,000; Cash In Hand ₹20,100; Debtor ₹19,012;   
Closing Stock ₹20,000; Furniture ₹6,300; Creditors 28,500; Building ₹42,750;   
Outstanding Salaries ₹1,000; Bills Payable ₹3000;

1. While preparing final accounts, where the following items will be shown when they are given inside the trial balance?  
   a) Outstanding salary b) Prepaid rent c) Bad debt   
   d) Depreciation e) Interest on drawing f) Commission received in advance g) Closing stock h) Interest on capital   
    **OR (4)**Calculate Gross profit and Operating profit:   
   Opening stock ₹35,000; Sales (Net) ₹12,00,000; Purchase (Net) ₹5,00,000;   
   Administrative Expenses ₹60,000; Selling and Distribution Expenses ₹75,000;   
   Loss by fire ₹30,000; Closing Stock ₹75,000; Rent Received ₹10,000;
2. From the following Trial Balance as on 31st March 2010, prepare Trading & Profit & Loss A/c. **(6)**

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | Dr. (₹) | Particulars | Cr. (₹) |
| Cash at Bank  Cash in hand Advertisement  Rent, Rates and Taxes Carriage on sales Carriage on purchase Manufacturing wages Salaries  Sundry debtors  Bank charges  Discount  Opening stock  Returns  Purchases  Plant and machinery Loan to Ram | 8,000  900  5,000  10,000  3,200  750  15,000  6,000  45,000  75  3,350  35,000  1,000  68,000 60,000 20,000 | Capital  Sales  Creditors  Rent Received  Purchase Returns | 52,000  1,97,000  25,000  6,525  750 |
| Total | 2,81,275 |  | 2,81,275 |

Adjustments:   
(i) Stock in hand at the end Rs.45,000.   
(ii) Charge 30% of the advertisement this year.   
(iii) Charge interest on loan given to Ram @ 6% p.a.   
(iv) Create 5% provision for bad and doubtful debt.