

Accountancy

Class 11th (Term II)

Practice Paper 2*

(Unsolved)

Instructions

1. There are 14 questions in the question paper. All questions are compulsory.
2. Question no. 1-4 and 10 are Short Answer Type Questions. Each question carries 3 marks.
3. Question no. 5-9 are Case Based MCQs. Each question carries 1 mark.
4. Question no. 11-14 are Long Answer Type Questions. Each question carries 5 marks.
5. There is no overall choice. However, internal choices have been provided in some questions. Students have to attempt only one of the alternatives in such question.

- Time : 2 Hours
- Max. Marks : 40

*** As exact Blue-print and Pattern for CBSE Term II exams is not released yet. So the pattern of this paper is designed by the author on the basis of trend of past CBSE Papers. Students are advised not to consider the pattern of this paper as official, it is just for practice purpose.**

Part A

Financial Accounting-I

Short Answer (SA) Type Questions (3 Marks)

1. State whether the balances of the following accounts should be placed in the debit or credit columns of the trial balance.
 - (i) Patents
 - (ii) Sales return
 - (iii) Provision for depreciation
 - (iv) Salaries
 - (v) Commission received
 - (vi) Drawings made by proprietor
2. From the following list of balances extracted from the books of Kumar prepare a trial balance as on 31st March, 2021. The amount required to balance should be entered as capital.

Name of Accounts	Amt (₹)	Name of Accounts	Amt (₹)
Purchases	3,64,000	Proprietor's Withdrawals	12,000
Stock on 1st April, 2020	70,000	Sundry Debtors	72,000
Sales	8,00,000	Sundry Creditors	24,000
Sundry Expenses	3,000	Bad Debts	2,000
Leasehold Premises	1,00,000	Investment @ 10%	40,000
Freehold Premises	3,60,000	Interest on Investment	4,000
Return Inwards	5,000	Long-term Borrowings	1,20,000
Furniture and Fixtures	58,000	Loan from SBI	1,60,000
Equipment	1,60,000	Interest on Loan	13,000
Repairs to Equipment	1,000	Petty Cash Account	800
Depreciation	16,000	Balance at Bank	6,920
		Stock on 31st March, 2021 (not adjusted)	92,000

3. From the following information, complete the following journal entries.

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Date	Particulars	LF	Amt (Dr)	Amt (Cr)
(i) Dr (Being bad debts written-off ₹ 1,750 on debtors were not recorded, now rectified)		1,750	1,750
(ii) Dr (Being discount allowed to debtor ₹ 63, on receiving cash was not recorded, now rectified)		63	63
(iii) Dr (Being bills receivable ₹ 7,500 received from debtor not recorded, now rectified)		7,500	7,500

Or Briefly explain the following terms used in accounting of bills of exchange.

(i) Drawer

(ii) Days of grace

(iii) Payee

4. Give journal entries to rectify following errors.

(i) A motor car had been purchased for ₹ 68,000. Cash had been correctly credited but the motor car account had been debited with ₹ 62,800 only.

(ii) Interest on deposits received ₹ 1,200 had been debited in the cash account but had not been credited to the interest account.

(iii) The purchase of an office table costing ₹ 50,000 had been passed through purchase day book.

Or Following errors were detected in the books of Anuj Jindal, Delhi

(i) Sale of old machinery for ₹ 80,000 was treated as sale of goods.

(ii) Cash balance of ₹ 5,000 carried forward as ₹ 50,000.

(iii) Wages paid to a worker for constructing building ₹ 5,000 were debited to wages account.

State the nature of each of these errors.

Part B Financial Accounting-II

Case Based MCQs (1 × 5 = 5 Marks)

Pooja, B.Com(h) graduate from Zakir Hussain College works as an accountant at Rajan's clothing in Karol Bagh. On 31st December, 2020, she prepared a trial balance after preparation of all accounts and subsidiary books. Her trial balance total also agreed. But when his senior accountant Anurag checked all books of accounts, he discovered some of the information which were not taken into consideration.

Following trial balance was prepared by Pooja and additional adjustments discovered by Anurag.

Name of Accounts	Amt (₹)	Name of Accounts	Amt (₹)
Capital	1,60,000	Insurance	1,200
Purchases	1,64,000	Salaries	25,000
Sales	2,20,000	Bad Debts	400
Return Outwards	2,000	Carriage on Purchases	400
Building	90,000	Commission (credit)	3,000
Opening Stock	30,000	Cash in Hand	10,000
Debtors	40,200	Cash at Bank	50,000
Creditors	56,000	Sales Tax Paid	10,000
Furniture	14,000	Sales Tax Collected	7,000
Wages	3,600	Interest on Investment	1,000
Rent	10,200		

Additional Information

- (i) Closing stock was valued at ₹ 40,000. (ii) Outstanding salaries ₹ 2,000.
 (iii) Unexpired insurance ₹ 100. (iv) Accrued commission ₹ 600.
 (v) Provide depreciation on building @ 5% and on furniture @ 10%.
 (vi) Provide for manager's commission at 5% on net profit after charging such commission.

5. Which of the following is amount of gross profit?
 (a) ₹ 64,000 (b) ₹ 66,000 (c) ₹ 64,400 (d) ₹ 68,000
6. Which of the undermentioned amount of salaries will be shown in profit and loss account?
 (a) ₹ 27,000 (b) ₹ 23,000 (c) ₹ 25,000 (d) ₹ 28,000
7. Value of furniture shown on assets side of balance sheet will be
 (a) ₹ 14,000 (b) ₹ 14,400 (c) ₹ 12,600 (d) ₹ 13,300
8. Closing stock is valued at
 (a) cost price (b) market price
 (c) cost price or market price whichever is lower (d) cost price or market price whichever is higher
9. Manager's commission is
 (a) an outstanding expense (b) a prepaid expense (c) an unearned expense (d) an accrued expense

Short Answer (SA) Type Question (3 Marks)

10. Write a short note on CPU.

Or Write a short note on accounting information system. *Long Answer (LA) Type Questions (5 Marks)*

Long Answer (LA) Type Questions (5 Marks)

11. Shan started a firm on 1st April, 2020 with a capital of ₹ 60,000. On 1st July, 2020, he borrowed from his wife, a sum of ₹ 24,000 @ 9 % per annum (interest not yet paid) for business and introduces a further capital of his, amounted to ₹ 9,000.
 On 31st March, 2021 his position was, cash ₹ 3,600, stock ₹ 56,400, debtors ₹ 42,000 and creditors ₹ 36,000. Ascertain his profit and loss taking into account ₹ 12,000 for his drawings during the year.
 Or Andy keeps incomplete records. His capital at the beginning of year was ₹ 4,00,000 capital at the end of year ₹ 3,10,000. ₹ 1,25,000 was withdrawn by him for his personal use, as Andy needed money for expansion of his business, he asked his wife to help. His wife allowed him to sell her ornaments and invest that amount into the business which comes to ₹ 30,000. You are required to calculate profit or loss.
 Also, mention any two uses of single entry system.
12. Show the treatment of outstanding expenses, provision for discount on debtors and goods distributed as free samples
 (i) when given inside the trial balance (ii) when given outside the trial balance
 Or The following balances have been extracted from the trial balance of M/s Haryana Chemical Ltd. You are required to prepare a trading and profit and loss account and balance sheet as on 31st December, 2020 from the given information.

Name of Accounts	Amt (₹)	Name of Accounts	Amt (₹)
Opening Stock	50,000	Sales	3,50,000
Purchases	1,25,500	Purchase Return	2,500
Sales Return	2,000	Creditors	25,000
Cash in Hand	21,200	Rent	5,000
Cash at Bank	12,000	Interest	2,000
Carriage	100	Bills Payable	1,71,700
Freehold Land	3,20,000	Capital	3,00,000
Patents	1,20,000		

Name of Accounts	Amt (₹)	Name of Accounts	Amt (₹)
General Expenses	2,000		
Sundry Debtors	32,500		
Building	86,000		
Machinery	34,500		
Insurance	12,400		
Drawings	10,000		
Motor Vehicle	10,500		
Bad Debts	2,000		
Light and Water	1,200		
Trade Expenses	2,000		
Power	3,900		
Salary and Wages	5,400		
Loan 15% (1st September, 2019)	3,000		
	8,56,200		8,56,200

Adjustments

- Closing stock was valued at the end of the year ₹ 40,000.
 - Salary amounting ₹ 500 and trade expenses ₹ 300 are due.
 - Depreciation charged on building and machinery are @ 4% and @ 5% respectively.
 - Make a provision of 5% on sundry debtors.
- 13.** From the following balances extracted from the books of Shri Raman Tyagi on 31st March, 2020, prepare final accounts as at 31st March, 2020.

Name of Accounts	Amt (₹)	Name of Accounts	Amt (₹)
Opening Stock	30,620	Capital	5,00,000
Purchases	1,64,800	Drawings	96,000
Sales	5,12,000	Sundry Debtors	1,14,000
Sales Return	8,000	Sundry Creditors	28,000
Purchase Return	4,800	Depreciation	8,400
Factory Rent	36,000	Charity	1,000
Coal, Gas and Power	35,000	Cash Balance	8,920
Wages and Salary	73,200	Bank Balance	8,000
Discount Allowed	15,000	Bank Charges	360
Commission Received	2,400	Establishment Expenses	7,200
Bad Debts	11,700	Plant	84,000
Bad Debts Recovered	4,000	Leasehold Building	3,00,000
Rent Received	9,600	Goodwill	40,000
Productive Expenses	5,200	Patents	20,000
Unproductive Expenses	10,000	Trademarks	10,000
Carriage	17,400	Loan Taken	50,000
		Interest on Loan	6,000

The value of closing stock on 31st March, 2020 was ₹ 50,800.

Or Define expenditure and receipts. Also, explain various types of expenditure and receipts with examples.

- 14.** List the distinctive advantages of a computer system over manual system.

Answers

2. Amount of Capital = ₹ 1,75,000; Total of Trial Balance = ₹ 12,83,000

5. (a) 6. (a) 7. (c) 8. (c) 9. (a)

11. Net Loss for the Year = ₹ 16,620 Or Profit for the Year = ₹ 5,000

12. Or Gross Profit = ₹ 2,11,000; Net Profit = ₹ 1,85,560; Balance Sheet Total = ₹ 6,73,060

13. Gross Profit = ₹ 1,97,380; Net Profit = ₹ 1,53,720; Balance Sheet Total = ₹ 6,35,720