

Accountancy

Class 11th (Term II)

Practice Paper 3*

(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. The following trial balance has been prepared by an inexperienced accountant. You are required to prepare the trial balance in a correct form.

Trial Balance
as on ...

Name of Accounts	LF	Debit Balance (₹)	Credit Balance (₹)
Cash in Hand		20,000	—
Fixed Assets		—	25,000
Capital		—	77,200
Purchases		45,000	—
Sales		20,500	—
Discount Allowed		—	500
Return Inward		—	1,000
Return Outward		1,400	—
Wages and Salary		10,000	—
Debtors		2,680	—
Creditors		—	9,400
Drawings		—	2,000
Discount Received		—	700
Bills Receivable		2,340	—
Bills Payable		—	4,320
Rent		3,000	—
Interest Paid		—	2,000
Total		1,04,920	1,22,120

Or

Define trial balance and state any one importance of trial balance. Also, mention when closing stock is shown in the trial balance.

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

**In the Books of Nonu
JOURNAL**

Date	Particulars	LF	Amt (Dr)	Amt (Cr)
2019 Feb 1	..... Dr To A/c (Being goods worth ₹ 72,000 sold to Monu on credit)		72,000	72,000
Feb 1	..... Dr Bills Receivable (No. 2) A/c Dr To Monu (Being the acceptances received from Monu for 3 bills for 1 month, 2 months and 3 months respectively)		30,000 24,000...	...
Feb 1	Sonu Dr To Bills Receivable (No. 1) A/c (Being the 1st bill endorsed in favour of creditor Sonu)		...	...
Feb 4	..... Dr Dr To Bills Receivable (No. 2) A/c (Being the 2nd bill discounted with the bank @ 12% p.a. on 4th February)		... ...	24,000
Apr 30	..... Dr To Bills Receivable (No. 3) A/c (Being the 3rd bill sent to the bank for collection on 30th April)		18,000	18,000
May 4	..... Dr Dr To Bills Sent for Collection A/c (Being the bill collected by the bank and ₹ 150 collection charges deducted)		... ...	18,000

3. Define bills of exchange and briefly explain parties to a bills of exchange.
4. Trial balance of Anita did not agree and she put the difference to suspense account. She discovered the following errors
- Purchases return to Arpit ₹ 3,125 was not posted to his account.
 - Installation charges on new machinery purchased ₹ 1,750 were debited to sundry expenses account as ₹ 175.
 - Rent paid for residential accommodation of Anita (the proprietor) ₹ 5,200 was debited to rent account as ₹ 5,000.

Rectify the errors and prepare suspense account to ascertain the difference in trial balance.

Or

What do you understand by suspense account? When and why is it opened?

Part B

Financial Accounting–II

Case Based MCQs (1 × 5 = 5 Marks)

Abhipriya after completing her B.Com (h) from Hans Raj College, has decided to pursue her passion of baking by starting her own venture “Oven’s Batter half”.

To cut her expenditure, she is maintaining books of accounts herself under single entry system.

Following is the information available

Name of Accounts	1st April, 2020 (₹)	31st March, 2021 (₹)
Machinery	2,80,000	3,70,000
Cash at Bank	81,600	4,63,000
Stock	1,31,600	3,41,200
Furniture	1,50,000	1,80,000
Building	3,20,000	3,60,000
Creditors	74,000	33,600
Debtors	49,200	1,72,400
10% Investment	4,00,000	4,00,000

During the year, he sold his personal investment of ₹ 10,00,000 and $\frac{4}{5}$ th part of it invested into his business. He withdrew ₹ 60,000 in each half year. Profit to be ascertained after making following adjustments

- (i) Provide depreciation on building and furniture at 10% and 20% respectively.
- (ii) Create provision on debtors at 5%.
- (iii) Rent paid in advance ₹ 11,600.
- (iv) Accrued interest on investment for 6 months.
- (v) Salary due but not paid ₹ 4,400.

5. Which of the undermentioned is correct amount of opening capital?
 (a) ₹ 22,53,000 (b) ₹ 13,38,400 (c) ₹ 14,12,400 (d) ₹ 17,38,400
6. Which of the following is correct amount of closing capital (before adjustments)?
 (a) ₹ 22,53,000 (b) ₹ 13,38,400 (c) ₹ 22,86,600 (d) ₹ 23,20,200
7. Net profit after adjustment is
 (a) ₹ 1,81,180 (b) ₹ 2,34,600 (c) ₹ 1,37,980 (d) ₹ 3,08,020
8. Closing Capital = Opening Capital + Profit + Additional Capital –
 (a) Net Sales (b) Interest on Capital (c) Interest on Drawings (d) Drawings
9. Which among the following can maintain its accounts under single entry system?
 (i) Small firms (ii) Cooperative society (iii) Company

Alternatives

- (a) Only (i) (b) Only (ii)
- (c) Both (i) and (ii) (d) Both (ii) and (iii)

Short Answer (SA) Type Question (3 Marks)

10. What do you mean by procedures as an element of computer system? Also, discuss its types.

Or

Computerised accounting system is best form of accounting system. Do you agree? Comment.

Long Answer (LA) Type Questions (5 Marks)

11. Mention the steps required to be followed while calculating profit and loss by statement of affairs method. Also, prepare format of statement. Showing profit or loss under this method.
12. What is a balance sheet? What are its characteristics?

Or

From the following balances, prepare trading and profit and loss account and balance sheet.

Debit Balances	Amt (₹)	Credit Balances	Amt (₹)
Machinery	7,000	Capital Account	20,000
Debtors	5,400	Creditors	2,800
Drawings	1,800	Sales	29,000
Purchases	19,000		
Wages	10,000		
Bank	3,000		
Opening Stock	4,000		
Rent	900		
Sunday Expenses	400		
Carriage	300		

Closing stock was ₹ 600

13. From the following balances, prepare trading and profit and loss account and a balance sheet as on 31st March, 2021.

Particulars	Amt (₹)	Particulars	Amt (₹)
Capital	16,40,000	Sundry Creditors	1,80,000
Life Insurance Premium	56,000	Sales	24,80,000
Plant and Machinery	1,00,000	Return Outwards	20,000
Stock in the Beginning	3,00,000	Special Rebates (Debit)	16,000
Purchases	17,44,000	Special Rebates (Credit)	24,000
Return Inwards	1,20,000	Rent for Premises Sublet	20,000
Sundry Debtors	4,20,000	Lighting	8,000
Furniture	1,82,000	Motor Car Expenses	1,26,000
Motor Car	8,00,000	Bank Balance	3,04,000
Freight and Duty	40,000	Loan from Vishal @ 12% p.a.	2,00,000
Carriage Inward	16,000	Interest on Loan from Vishal (Debit)	18,000
Carriage Outward	6,000		
Trade Expenses	3,08,000		

Additional Information

- (i) Stock on 31st March, 2021 was valued at ₹ 5,00,000 (realisable value ₹ 6,40,000).
- (ii) Stock of ₹ 1,20,000 was burnt by fire on 25th March. It was fully insured and the insurance company admitted the claim in full.
- (iii) Goods worth ₹ 36,000 were distributed as free samples. Goods worth ₹ 30,000 were used for personal purposes by the proprietor and goods worth ₹ 10,000 were given away as charity.
- (iv) Depreciate motor car by 15%.
- (v) Included in trade expenses is insurance premium of ₹ 48,000 paid for the year ending 30th June, 2021.

Or

Prepare the trading and profit and loss account and a balance sheet of M/s Shine Ltd. from the following information.

Name of Accounts	Amt (₹)	Name of Accounts	Amt (₹)
Sundry Debtors	1,00,000	Bills Payable	85,550
Bad Debts	3,000	Sundry Creditors	25,000
Trade Expenses	2,500	Provision for Bad Debts	1,500
Printing and Stationery	5,000	Return Outwards	4,500
Rent, Rates and Taxes	3,450	Capital	2,50,000
Freight	2,250	Discount Received	3,500
Sales Return	6,000	Interest Received	11,260
Motor Car	25,000	Sales	1,00,000
Opening Stock	75,550		
Furniture and Fixtures	15,500		
Purchases	75,000		
Drawings	13,560		
Investments	65,500		
Cash in Hand	36,000		
Cash at Bank	53,000		
	4,81,310		4,81,310

Additional Information

- (i) Book value of closing stock is ₹ 35,000 and market value ₹ 40,000.
- (ii) Depreciation charged on furniture and fixtures @ 5%.
- (iii) Further bad debts ₹ 1,000. Make a provision for bad debts @ 5% on sundry debtors.
- (iv) Depreciation charged on motor car @ 10%.
- (v) Interest on drawings @ 6%.
- (vi) Rent, rates and taxes was outstanding ₹ 200.
- (vii) Create provision on discount on debtors @ 2%.

14. Define computer. Explain in detail about elements of a computer.

Or

“Cash withdrawal at an ATM” is example of which information system? Also write about it and explain in brief about various steps involved in it.

Answers

1. Trial Balance Total = ₹ 1,13,520

4. Difference in Trial Balance = ₹ 4,900

5. (b) 6. (a) 7. (a) 8. (d) 9. (a)

12. Or Gross Loss = ₹ 3,700; Balance Sheet Total = ₹ 16,000; Net Loss = ₹ 5,000

13. Gross Profit = ₹ 9,76,000

Net Profit = ₹ 3,78,000

Balance Sheet Total = ₹ 23,18,000

Or Gross Loss = ₹ 19,300

Net Loss = ₹ 27,482

Total of Balance Sheet = ₹ 3,18,894