



Date: 11.09.23
GRADE: XI

TERM 1 EXAMINATION (2023-24)
ACCOUNTANCY [055]

Max marks: 80
Time: 3 hours

General Instructions:

- 1 This question paper contains 34 questions. All questions are compulsory.
2. Marks are indicated against each question.
3. Questions 1 to 20 carries 1 mark each.
4. Questions 21 to 26 carries 3 marks each.
5. Questions 27 to 29 carries 4 marks each.
6. Questions 30 to 34 carries 6 marks each.

Qn. No		Marks allocated
1	Qualitative characteristics of accounting information are: (a) Reliability (b) Relevance (c) Understandable (d) All of these	1
2	Which of the following is not a current asset? (a) Plant (b) Debtors (c) Bill Receivable (d) Stock	1
3	Rent is to be paid ₹6,000 recorded as Outstanding Rent due to _____ concept. (a) Money Measurement (b) Consistency (c) Accrual (d) Prudence	1
4	The goods unsold at the end of the accounting year are called: (a) Opening stock (b) Goods (c) Closing stock (d) All of these	1
5	Those assets which have physical existence and can be seen and touched are: (a) Current assets (b) Tangible assets (c) Intangible assets (d) None of these	1
6	Under which accounting concept the personal transactions of the owner are not recorded in the books of the business, unless it involves inflow or outflow of business funds. (a) Business Entity (b) Dual Aspect (c) Materiality (d) Money Measurement	1
7	Identify the Accounting Principle which includes the cost of acquisition that does not change year after year. (a) Cost Concept (b) Revenue Recognition (c) Accounting Period (d) Consistency	1

8	The excess of expenses of a period over its related revenues is termed as: (a) Profit (b) Loss (c) Gain (d) Expenses	1
9	The concept that states the revenue and the expenses incurred to earn the revenue must belong to the same accounting period for ascertaining profit/loss for that year. (a) Revenue Recognition (b) Matching (c) Full Disclosure (d) Cost	1
10	Goods includes: (a) Purchase of all the commodities (b) Purchase of all the Assets (c) Purchase of those commodities which are meant for re-sale (d) Purchase of liquid commodities only	1
11	Identify the concept that requires the documentary evidence for the accounting transaction which is supported by verifiable documents or vouchers. (a) Materiality (b) Objectivity (c) Full Disclosure (d) Consistency	1
12	According to which accounting concept, the capital introduced while commencement of the business is considered as the liability of the firm? (a) Money Measurement (b) Matching (c) Business Entity (d) Full Disclosure	1
13	Accounting Cycle Starts With: (a) Recording of Transactions in Ledger (b) Recording of Transactions in Journal (c) Preparing Trial Balance (d) Preparing Trading Account	1
14	Which one is an example of current liability: (a) Bills Receivable (b) Debtors (c) Creditors (d) None of these	1
15	ABC Ltd. received an advance on sale in the month of December 2018 for the sales made in the month of May 2019. The sale should recognized on: (a) May 2019 (b) December 2018 (c) Both in May 2019 and December 2018 (d) January 2019	1
16	As per the Duality principle calculate the total outsider's liability, if the raw materials cost ₹5000, machine cost ₹50,000, Furniture used in the firm cost ₹20,000, cash at bank is ₹30,000 and the owner's equity is ₹70,000. (a) ₹35,000 (b) ₹1,75,000 (c) ₹70,000 (d) ₹1,40,000	1

17	Which principle does imply that the closing stock is valued at the cost or market value whichever less is in the books of account? (a) Cost (b) conservatism (c) Materiality (d) consistency	1
18	It is the cost incurred in producing goods and services: (a) Expenses (b) Incomes (c) Profit (d) Loss	1
19	The total assets of the business is ₹5,00,000 and the capital amounts to ₹3,50,000. Calculate the liability of the business? (a) ₹1,50,000 (b) ₹8,50,000 (c) ₹2,50,000 (d) None of these	1
20	Current liabilities are liabilities that are payable with in: (a) 2 years (b) 1 year (c) 3 years (d) 4 years	1
21	'Accounting standards have been evolved to improve the reliability and credibility of Financial Statements. Accounting Standard provide the solution in case of conflicts among Various groups.' In the light of this statement, enumerate the objectives of accounting standards.	3
22	Define the following basic accounting terms with example: a) Bad Debt b) Drawings c) Profit	3
23	Discuss the various components of GST.	3
24	Identify and explain the accounting concepts from the following situations: (a) Increase / Decrease in the market value of an asset is not accounted. (b) The manager of the business is efficient so that the business is earning more profit but it is not recorded in the books. (c) There must be a source document for every transaction.	3
25	Jouranalise the following transactions: 2023 June 17 Received from Tushar ₹24,900 by a cheque in full settlement of his account ₹25,000. 19 Mr. Aman, a customer, paid ₹50,000 into the bank account of business. 25. Prepaid rent is ₹5,000.	3

26	Prepare a Trial Balance from the following items:	3	
	Name of the account		₹
	Capital		24,000
	Furniture		14,000
	Cash		13,000
	Purchases		8,000
	Sales		12,000
	Discount Allowed	1,000	
27	Explain the objectives of accounting.	4	
28	Identify and explain the accounting principle in each of the cases: (a) The business can depreciate the assets using straight line or written down value method but the same method must be used every year. (b) The closing stock is valued at cost price or market price whichever is lower. (c) The expertise and the experience of the manager cannot be recorded in the books of accounts.	4	
29	Pass the journal entries for the transactions: 2021 February 8 Sold goods to Mohan of the list price of ₹1,00,000 at a trade discount of 10%. 12 Mohan returned goods of the list price ₹2,000. 16 Received from Mohan the full payment at a cash Discount of 1%.	4	
30	You are working in a company as a chief accountant. While preparing the accounts of your company, you are faced with a number of problems. These are summarized as below: a) Production manager of the company is interested to reflect the good industrial relations in accounts. b) The long-term future success of the company is doubtful due to market competition. c) Although the sales have not yet actually taken place, some reliable customers of the company have placed large orders from which company is expected to earn large profits. d) One of the shareholders of the company has invested his saving in some shares of another company. e) At the end of the accounting period, factory rent of the company is outstanding for ₹10,000. f) A debtor who cannot pay the amount to the company is to be declared insolvent and recorded in the books.	6	

31	<p>Show the effect of the following transactions on assets, liabilities and capital through Accounting Equation:</p> <p>(1) Amit started business with cash ₹ 40000 and bank balance ₹10,000.</p> <p>(2) Purchased goods for cash ₹15000 and on credit ₹5000.</p> <p>(3) Sold goods costing ₹8000 for Cash at a profit of 10% on cost.</p> <p>(4) Rent due but not paid ₹500.</p> <p>(5) Prepaid insurance ₹1,000.</p> <p>(6) Deposited ₹10,000 to bank.</p>	6																				
32	<p>Journalise the following transactions in the books of Genpact Limited.</p> <p>April 1 Basil started business with cash ₹2,50,000 and bank 5,00,000 and Machinery costing ₹4,00,000.</p> <p>6 Purchased goods from ABC Limited for cash ₹10,000 and on credit ₹ 15,000.</p> <p>8 Sold goods to XY Ltd. for a cheque of ₹20,000 and for cash ₹ 28,000.</p> <p>12 Commission received through cheque costing 4,00,000.</p> <p>18 Paid ₹14,800 in full settlement of the account to ABC Ltd.</p> <p>28 Deposited ₹20,000 to bank.</p>	6																				
33	<p>Prepare the following ledger accounts and balance it from the above journal from Q. No: 32.</p> <p>(a) ABC Ltd. account</p> <p>(b) Cash account</p> <p>(c) Bank account</p>	6																				
34	<p>Prepare the Trial Balance from the following information:</p> <table border="1" data-bbox="199 1198 1259 1610"> <thead> <tr> <th>Name of the account</th> <th>Amount Rs</th> <th>Name of the Account</th> <th>Amount Rs.</th> </tr> </thead> <tbody> <tr> <td>Capital</td> <td>2,00,000</td> <td>Bank</td> <td>1,80,000</td> </tr> <tr> <td>Bills payable</td> <td>1,00,000</td> <td>Sales</td> <td>3,00,000</td> </tr> <tr> <td>Stock</td> <td>70,000</td> <td>Debtors</td> <td>3,00,000</td> </tr> <tr> <td>Bank loan</td> <td>1,50,000</td> <td>purchases</td> <td>2,00,000</td> </tr> </tbody> </table>	Name of the account	Amount Rs	Name of the Account	Amount Rs.	Capital	2,00,000	Bank	1,80,000	Bills payable	1,00,000	Sales	3,00,000	Stock	70,000	Debtors	3,00,000	Bank loan	1,50,000	purchases	2,00,000	6
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