

V. M. C. C
(The Pioneer Institute for C. B. S. E. Education)

ACCOUNTANCY
TIME: 1.30 Hrs.

CLASS – 11th
TEST PAPER - 1

By: Mehul Mittal
Max. Marks - 30

Single Entry System

General Instructions: Use of calculator strictly prohibited.

[6 Marks each]

Q.1 The Assets and Liabilities of Mr. Ram as on 31-12-2001 are as follows:

Assets	31-12-2001	31-12-2002
Building	1,00,000	?
Furniture	50,000	?
Stock	1,20,000	2,70,000
Sundry Debtors	40,000	90,000
Cash at Bank	70,000	85,000
Cash in hand	1,200	3,200
Liabilities		
Loans	1,00,000	80,000
Sundry Creditors	40,000	70,000

Ram decided to depreciate building by 2.5% and furniture by 10% one life insurance policy of the Proprietor was matured during the period and the amount ₹40,000 is retained in the business. Proprietor took @ ₹2000 p.m. for meeting his family expenses. You are required to find out profit earned.

Q.2 A keeps his books by single entry system. His position on January 1, 1998 was as follows:

Cash at Bank ₹5,000, Cash in hand ₹1,000; Stock ₹7,000, Sundry Debtors ₹8,400, Machinery and Plant ₹6,500; Bills receivable ₹2,600; Creditors ₹2,500; Bills Payable ₹4,000.

On December 31, 1998 his position was as follows:

Cash at bank ₹4,300, cash in hand ₹1,700, Stock ₹9,000; Sundry Debtors ₹6,000, Machinery and Plant ₹6,500; Bills receivable ₹32,000; Creditors ₹1,600; Bills Payable ₹3,200.

During the year he introduced further capital of ₹2,000 and his drawings were ₹800 per month. Depreciate Machinery and Plant by 5% and create a Reserve for Bad and Doubtful debts @5%. From the above information, prepare a statement showing the profit or loss made by him for the year ended December 31, 1998.

Q.3 Rani Madam does not keep double entry system. Her Balance Sheet as at 1st January 2001 was as follows:

Balance Sheet

Liabilities	Amount	Assets	Amount
Creditors	₹ 4,000	Cash in Hand	₹ 500
Capital	12,000	Cash at Bank	6,000
		Stock	5,000

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		Debtors	3,300
		Furniture	1,200
	₹ 16,000		₹ 16,000

Her position as at the end of the year 2001 was: Cash in Hand ₹4,000; Cash at Bank ₹2,000 Stock ₹5,500, Debtors ₹4,600, Furniture ₹1,500 and Creditors ₹6,000. She withdrew during the year ₹9,000 out of which he spent ₹6,000 on the cost of purchasing a motor car for the business.

Prepare necessary Statement to determine profit earned during the year and a balance sheet as at 31st December 2001 after making the following adjustments:-

- Depreciation: Furniture and Motor Car @ 10%.
- Write off bad debts ₹200.
- Provide 5% for doubtful debts.

Q.4 X, a retailer, has not kept proper books of account but it has been possible to obtain the following details:

	Last Year (₹)	This Year (₹)
Trade Creditors	6,270	5,890
Loan from Naresh	5,000	5,000
Stock	12,350	11,980
Cash in Hand	570	650
Shop Fittings	7,250	7,800
Trade Debtors	5,280	4,560
Bank Balance	3,990	4,130

Calculate the net profit for this year and draft the Statement of Affairs at the end of the year after noting that:

- Shop Fittings are to be depreciated by ₹ 780.
- X has drawn ₹ 100 per week for his own use.
- Included in the Trade Debtors is an irrecoverable balance of ₹ 270.
- Interest at 5% p.a. is due on the loan from Naresh but has not been paid for the year.

Q.5 Raj tells you that his capital on 31st December, 2003 is ₹ 18,700 and his capital on 1st January, 2003 was ₹ 19,200. He further informs you that during the year he gave a loan of ₹ 3,500 to his brother on private account and withdrew ₹ 3,500 for his brother on private account and withdrew ₹ 300 p.m. for personal purposes. He also used a flat for his personal purpose, the rent of which @ ₹ 100 per month and electricity charges at an average rate of ₹ 10 per month were paid from the business account. During the year he sold his 7% Government Bonds of ₹ 2,000 at 2% premium and brought that money into the business.

You are required to prepare a Statement of Profit or Loss for the year ended 31st December, 2003