
CBSE Class 11 Accountancy
Sample Paper-02

General Instruction:

- This paper consists two parts: A and B. Both are compulsory Total number of questions is 26.
 - Attempt all parts of a particular question at one place.
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Part A : Financial Accounting - I

1. Write any one objective of Accounting.
 2. Define Accounting.
 3. Give any one example of transaction for which Journal Proper is used.
 4. What is Suspense Account?
 5. Give rectifying Journal entry for the following error. Sales Return Book is undercast by ₹ 10,000.
 6. Explain any three advantages of Accounting.
 7. Explain in brief four limitations of financial Accounting.
 8. What is meant by a voucher? Prepare an imaginary specimen of a voucher.
 9. Journalise the following Transactions.
 - a. Goods destroyed by fire for ₹ 4500.
 - b. Paid ₹ 1500 in cash as wages on installation of machinery.
 - c. Issue a cheque in favour of M/s. Parmatma Saran & Sons on accounts of purchase of goods ₹ 7500.
 - d. Goods sold costing ₹ 6000 of M/s. Kalu sons at an invoice price of 10% above cost less 5% Trade discount.
 10. Enter the following transactions in a two column cash book:-
 - a. Commenced business with cash ₹ 50,000
 - b. Deposited in bank ₹ 40,000
 - c. Received cash from Mohan ₹ 950 in full settlement of a debt of ₹ 1000.
 - d. Bought goods for cash ₹ 10,000
 11. Explain any three of the following with examples.
-

- i. Money Measurement Concept
- ii. Principle of full Disclosure
- iii. Accounting Standards
- iv. Principle of Dual Aspect

12. Mohit has following transactions. Prepare Accounting Equation:

		₹
a.	Business started with cash	1,75,000
b.	Purchased goods from Rohit	50,000
c.	Sold goods on credit to Manish (costing ₹ 17,500)	20,000
d.	Purchased furniture for office use	10,000
e.	Cash paid to Rohit in full settlement	48,000
f.	Cash received from Manish	20,000

13. On April 1, 2011 X Ltd. Purchased Machinery for ₹ 1,00,000. The accounting year of the Company ends on 31st Dec. every year. Depreciation @ 10% p.a. on the initial cost is charged to P & L Account and credit to a separate account known as 'provision for depreciation' account. On 1st July 2013 the machine purchased on 1st April 2011 was sold for ₹ 60,000.

You are required to prepare machinery Account and Provision for Depreciation Account upto 2013.

14. A purchased goods for ₹ 15,000 from B on 1st March, 2013 and gives him two Bills. One for ₹ 10,000 at two months & other for ₹ 5000 at four months. A meet the first bill at maturity but on 25th June, 2013 he is declared insolvent and 60 paise in a rupee amount was received from him on August 20, 2013. Journalise in the books B and prepare A's A/c.

OR

Chhabra & Sons find that overdraft shown by their cash Book on 31st March 2013 is ₹ 30,500 but the Pass Book shows a different due to the following reasons. (6)

- i. A cheque for ₹ 6000 drawn in favour of Shyam has not been presented for payment.
- ii. A post-dated cheque for ₹ 1000 has been debited in the Bank column of the Cashbook but it could not have been presented in Bank.
- iii. Cheque totaling ₹ 12,000 deposited with the bank have not yet been collected.

- iv. A bill for Rs. 5,000 was retired by the bank under a rebate of ₹ 120 but the full amount of the bill was credited in the bank column of the Cash Book. Prepare a Bank reconciliation statement and find out the balances as per pass book. (8)

Part B : Financial Accounting - II

15. Define Revenue Expenditure. (1)
16. Why is profit & Loss Account not prepared in 'Not-for-Profit Institution'? (1)
17. Give any two examples of Not-for-Profit organisations. (1)
18. Define Computer System. (1)
19. Mayank does not keep proper records of this business. He give you the following information. (1)
- Opening Capital - 1,00,000
- Closing Capital - 1,25,000
- Drawings made during the year - 30,000
- Capital added during the year - 37,500
- Calculate profit or loss for the year.
20. Give any three example of Capital Expenditure. (3)
21. Distinguish between Income and Expenditure Account and Receipt and Payment Account on the following basis. (3)
- Nature
 - Basis
 - Balance
22. Explain any three limitations of computer system. (4)
23. Explain any two of the following (4)
- Capital Fund
 - Legacy
 - Specific Fund
24. From the following information and receipts and payment account, prepare an income and expenditure account of Royal 31st December, 2013. (4)

Receipt	₹	Payments	₹
To Balance b/d	1,500	By Salaries	1,900
To Subscription		By General Expense	800

2012	200		By Books purchases (1.7.2013)	800
2013	2000		By Electric charges	200
2014	250	2,450	By Balance c/d	3,850
To Entrance fees		650		
To Donations		1,200		
To Life membership fees		1,500		
To Sale of newspapers		100		
To Rent		150		
		7,550		7,550

- The club has 50 members each paying an annual subscription of ₹ 50.
- On 31st December, 2013 salaries o/s was ₹ 150 & salaries paid during 2013 also included ₹ 100 for the year 2012.
- On 31st December, 2012 the club had land and building ₹ 10,000, furniture Rs. 3,500 and books ₹ 1,500.
- Provide depreciation on furniture and books @ 10% p.a.
- Entrance fees and donations are treated as revenue items. (6)

25. Explain the various elements of a computer system.

26. The following are the balances extracted from the book of Rajan on 31st March, 2013.

	₹		₹
Rajan's Capital	30,000	Sales	1,50,000
Raajan's Drawings	5,000	Sales Return	2000
Furniture and fittings	2,600	Discount (Dr.)	1600
Bank Overdraft	4,200	Discount (Cr.)	2000
Creditors	13,800		
Business Premises	20,000	Taxes & Insurance	2,000
Stock (1.4.2012)	22,000	General Expenses	4,000
Debtors	18,000	Salaries	9,000

Rent from Tenants	1,000	Commission (Dr.)	2,200
Carriage on Purchases	1,800		
Purchases	1,10,000	Bad Debts	800

Additional Information-

- Stock on hand on 31st March 2013 was ₹ 20,060.
- Write off Depreciation: Business premises ₹ 300, Furniture and fittings ₹ 250.
- Making a provision of 5% on Debtors for Doubtful debts.
- Carry forward ₹ 200 for unexpired Insurance.
- Outstanding salary ₹ 1500.

Prepare Trading and Profit & Loss A/c for the year ended March 31, 2013 and Balance sheet as on that date.

OR

From the following information relating to the business of Mr. X, who keeps books by single entry, ascertain the profit or loss of the year 2013

	1st January 2013 (₹)	31st December 2013 (₹)
Machinery	16,000	16,000
Furniture	4,000	4,000
Stock	14,000	10,000
Sundry Debtors	8,000	9,000
Bank Balance	400	3,600
Sundry Creditors	10,000	7,000

Mr. X withdraw ₹ 4,100 during the year to meet his household expenses. He introduced ₹ 600 as fresh Capital. Machinery and furniture to be depreciated by 10% and 5% per annum respectively.

Answers

- Any one objective of Accounting.
- Accounting:** Accounting is the art of recording, classifying and summarising in a

significant manner and in money, transactions & events which are, in past at least of a financial character and interpreting results there of.

3. Correct example.
4. Suspense Account. Suspense Account is a temporary ledger account, opened for putting the difference on shorter side of the trial Balance.
- 5.

Journal					
Date	Particulars		C.F.	Dr. (₹)	Cr. (₹)
	Sales Return A/c	Dr.		10,000	
	To Suspense A/c (Sales return books is undercast by ₹ 10,000 now corrected)				10,000

6. Any three of the following advantages with brief explanation:
 - i. Assistance to Management.
 - ii. Replacement of Memory
 - iii. Comparative Study
 - iv. Settlement Taxation liability or any other
7. Correct explanation of any four limitation of Accounting.
8. Voucher: The documents prepared for the purpose of recording business transactions in the books of accounts are known as Vouchers.
Correct Specimen of Voucher.

9.

Journal					
Date	Particulars		C.F.	Dr. (₹)	Cr. (₹)
a.	Loss by Fire A/c	Dr.		4,500	
	To Purchases A/c (Being goods destroyed by fire)				4,500
b.	Machinery A/c	Dr.		1,500	

	To Cash A/c (Being wages paid for installation Machinery)			1,500
c.	Purchases A/c	Dr.	7,500	
	To Bank A/c Being goods purchased by cheque)			7,500
d.	M/s Kalu Sons	Dr.	6,270	
	To Sales A/c Being goods sold costing ₹ 6,000 at on invoice price of 10% above cost less 5% trade discount)			6,270

10.

Dr.	Cash Book								Cr.
Date	Particular	J.F.	Cash	Bank	Date	Particular	J.F.	Cash	Bank
a.	To Capital A/c		50,000		b.	By Bank A/c		40,000	
b.	To Cash A/c	C		40,000	d.	By purchases A/c		10,000	
c.	To Mohan		950		c.	By Balance c/d		950	40,000
			50,950	40,000				50,950	40,000

11. (Meaning + Example) of each

12.

Assets		Liabilities	+	Capital
Cash+Goods+Debtors+Furniture	=	Creditors		
1,75,000	=			1,75,000
+50,000	=	50,000		
1,75,000+50,000	=	50,000		1,75,000
-17,500+20,000	=			+2,500
1,75,000+32,500+20,000+10,000	=	50,000		1,77,500
-10,000	=			+1,500
1,65,000+32,500+20,000+10,000	=	50,000		1,79,000
-48,500	=	-50,000		

1,16,500+32,500+20,000+10,000 +20,000 -20,000	=			1,79,000
1,36,500+32,500 +10,000	=			1,79,000

13.

Dr.		Machinery Account						Cr.
Date	Particular	J.F.	₹	Date	Particular	J.F.	₹	
2011				2011				
Apr. 11	To Bank A/c		<u>1,00,000</u>	Dec. 31	By Balance c/d		<u>1,00,000</u>	
Jan, 12	To Balance b/d		<u>1,00,000</u>	Dec. 31	By Balance c/d		<u>1,00,000</u>	
2013				Jul. 1	By Bank A/c		60,000	
Jan. 1	To Balance b/d		1,00,000		By Prov. for Dep. A/c		22,500	
					By Loss on sale		17,500	
			<u>1,00,000</u>				<u>1,00,000</u>	

Dr.		Provision for Depreciation Account						Cr.
Date	Particular	J.F.	₹	Date	Particular	J.F.	₹	
2011 Dec. 31	To Balance c/d		7,500	2011 Dec. 31	By Depreciation c/d		7,500	
			<u>7,500</u>				<u>7,500</u>	
2011 Dec. 31	To Balance c/d		17,500	2012 Jul . 1	By Balance b/d		7,500	
				2012 Dec. 31	By Depreciation A/c		10,000	
			<u>17,500</u>				<u>17,500</u>	
2013 Dec. 31	To Machinery		22,500	2012 Jun. 1	By Balance b/d		17,500	
				2013 Dec.	By Depreciation		5,000	

				31	A/c		
			<u>22,500</u>				<u>22,500</u>

14.

Journal							
Date	Particular			C.F.	Dr (₹)	Cr. (₹)	
2013 Mar. 1	A		Dr.		15,000		
	To Sales A/c (Being sold to A)						15,000
Mar. 4	Bills Receivable-I A/c		Dr.		10,000		
	Bills Receivable-II A/c		Dr.		5,000		
	To Cash A/c (Being two bills received from A)						5,000
May. 4	Cash A/c		Dr.		10,000		
	To Bills Receivable-I (Being cash received on maturity)						10,000
Jun. 25	A		Dr.		5,000		
	To Bills Receivable-II (Cancellation of second bill)						5,000
Aug. 20	Cash		Dr.		3,000		
	Bad Debt A/c		Dr.		2,000		
	To A (60% received from official receiver of A)						5,000
Dr.	A's Account						Cr.
Date	particular	J.F.	₹	Date	Particular	J.F.	₹
2013 Mar. 14	To Sales A/c		15,000	2013 Mar. 1	By Bills Receivable-I		10,000
	To Bills				By Bill		

Jun. 25	Receivable-II		5,000		Receivable-II		5,000
				Aug. 20	By Cash A/c		3,000
					By Bad Debts A/c		2,000
			20,000				20,000

OR

Bank Reconciliation Statement as on March 31, 2013		
Dr.	Cr.	
Particular	(+) items	(-) items
Overdraft as per Cash Book		30,500
Add: Cheque issued but not presented	6,000	
Less: Cheque recorded in cash book but not banked		1,000
Less: Cheque deposited but not collected		12,000
Add: Rebate amount not considered on retirement of bill	120	
Overdraft as per pass book	37,380	
	43,500	43,500

15. Revenue Expenditure

The amount incurred for maintaining the earning capacity of the business, benefit of which is direct and would be in the same accounting year itself in which such expenditure has been incurred is termed as revenue expenditure.

16. One marks for correct reason

17. ½ mark for each example

18. Computer system:

A computer is an electronic device which accepts input in the form of raw data, processes it and gives desired results called output.

19.

		₹
	Closing Capital	1,25,000

Add:	Drawings	<u>30,000</u>
		1,55,000
Less:	Additional Capital	<u>37,500</u>
		1,17,500
Less:	Opening Capital	100,000
	Profit for the year	<u>17,500</u>

20. Three examples of one mark each.

21. Difference between receipts & payments and income & expenditure account

Basis	Receipts & Payments Account	Income & Expenditure Account
Nature	It is a real account and summarizes all cash transaction of non-profit organizations.	It is a nominal account and summarizes all expenditures and incomes of a non-profit organization.
Base	This account is based on cash basis of accounting.	This account is based on accrual basis of accounting.
Balance	It ends with the closing balance of cash and bank balance.	The closing balance is either surplus (if there is an excess of income over expenditure) or deficit (if there is an excess of expenditure over incomes)

22. Any three limitations of computer of

23. a. Capital Fund: The term 'capital' is nowhere found in the case of non-profit organizations instead capital fund, general fund or accumulated fund is appearing in the Balance Sheet. The amount of this fund is calculated by deducting the amount of liabilities from the value of assets. In this manner, we can say that the method of finding out this fund is exactly the same way as of calculating the capital of any business enterprise.
- b. Legacy: Legacies represent the amount received by organization under a will on death of the contributors. The reasons may be specific or general. It is shown as receipts in the Receipts and Payments Account. It's non-recurring in nature, hence

capitalized. Legacies received for a specific purpose should be capitalized in the name of the fund for which it has been received. Legacies received for general Purpose may be added to the capital fund. However, legacies of a small amount may be treated as income.

- c. Specific Fund: Specific fund is created to carrying out those specific activities for which such fund is obtained.

Explain of any two

24.

Income & Expenditure Account For the year ended on December 31, 2013				
Expenditure		₹	Income	₹
To Salaries	1,900		By Subscriptions	2,500
Add: Outstanding	<u>150</u>		By Entrance Fees	650
	2,050		By Donations	1,200
Less: For 2012	<u>100</u>	1,950	By Sale of Newspaper	100
To Depreciation on			By Rent	150
Furniture	350			
Books	<u>190</u>	540		
To General Expenses		800		
To Electric Charges		200		
To Surplus		1,110		
		4,600		4,600

25. Explanation of any six component of computers.

26.

Trading and Profit & Loss Account For the year ended on March 31, 2013			
Dr.			Cr.
Particular	₹	Particular	₹

To Opening Cock		22,000	By Sales	1,50,000	
To Purchases		1,10,000	Less: Return	<u>2,000</u>	1,48,000
To Carriage on Purchase		1,800	By Closing Stock		20,060
To Gross Profit		34,260			
		<u>1,68,060</u>			<u>1,68,060</u>
To Depreciation on			By Gross Profit		34,260
Business Premiss	300		By Rent from tenants		1,000
Furniture & Fitting	<u>250</u>	550	By Discount		2,000
To Bad Debts	800				
Add: Provision	<u>900</u>	1,700			
To Taxes & Insurance	2000				
Less: Unexpired	<u>200</u>	1,800			
To Salaries	<u>9,000</u>				
Add: Outstanding	<u>1,500</u>	10,500			
To Discount		1,600			
To General Expenses		4,000			
To Commission		2,200			
To Net Profit		14,910			
		37.260			37,260

Balance Sheet as at March 31, 2015

Liabilities		₹	Assets		₹
Outstanding Salary		1,500	Stock		20,060
Capital	30,000		Business Premium	20,000	
Less: Drawings	<u>5,000</u>		Less: Dep.	<u>300</u>	19,700
	25,000		Furniture & Fitting	2,600	

Add: Net Profit	<u>14,910</u>	39,910	Less: Dep.	<u>250</u>	2,350
Bank Overdraft		4,200	Debtors	18,000	
Creditors		13,800	Less: Provision	<u>900</u>	17,100
			Unexpired Insurance		200
		59,410			59,410

OR

Statement of Affairs as at 1st January 2013				
Liabilities	₹	Assets		₹
Sundry Creditors	10,000	Machinery		16,000
		Furniture		4,000
		Stock		14,000
		Sundry Debtors		8,000
Capital (Balance fig.)	32,400	Bank Balance		400
	<u>42,400</u>			<u>42,400</u>
Statement of Affairs as at 31st December 2013				
Liabilities	₹	Assets		₹
Sundry Creditors	7,000	Machinery	16,000	
		(-) Dep.	<u>1,600</u>	14,400
		Furniture	4,000	
		(-) Dep.	<u>200</u>	3,800
		Stock		10,000
		Sundry Debtors		9,000
Capital (Balance fig.)	33,800	Bank Balance		3,600

	<u>40,800</u>		<u>40,800</u>
Statement of Profit or Loss			
Particulars		₹	
Capital at the end		33,800	
(+) Drawings		4,100	
		37,900	
(-) Additional Capital		600	
		37,300	
(-) Opening Capital		32,400	
Profit for the year		<u>4,900</u>	