



Second Term Exam-2070

Grade: XI
Time: 3:00 hrs.

Subject: Accountancy

F.M.:100
P.M.:40

Set A

1. Distinguish between capital and revenue expenditure. [4]
2. Write in brief about the scope of accounting. [4]
3. Write the advantages of double entry book keeping system. [4]
4. Write the errors which are not disclosed by trial balance. [4]
5. Distinguish between 'Reserve' and 'Provision'. [4]
6. A company provides you the following information:
 - a) Commenced business with cash Rs. 50,000 and furniture Rs. 20,000.
 - b) Goods purchased Rs. 28,000 from Ram but partial payment made by cash only Rs. 8,000.
 - c) Plant costing Rs. 10,000 was sold at a profit of Rs. 5,000.
 - d) Wage paid Rs. 5,000 and still due Rs. 500.
 - e) Depreciation charged on furniture Rs. 4000.**Required:** Accounting equation. [5]
7. The following are the transaction of Mr. Yogi.
 - a) Business started with cash Rs. 50,000 and bank balance Rs. 60,000.
 - b) A debtors of Rs. 20,000 was declared insolvent and nothing could be received from his estate.
 - c) Good destroyed by fire Rs. 5,000, but insurance company admitted claim of Rs. 3,000 only.

d) Goods costing Rs. 4,000 was sold for Rs. 3,750.
Required: Journal entries. [5]

8. Following information are provided:
 - a) Sold goods to Shyam Rs. 50,000.
 - b) Goods returned by Shyam Rs. 5,000.
 - c) Cheque received from Shyam Rs. 45,000.
 - d) Cheque received from Shyam is deposited into bank.**Required:** Shyam's account [3]
9. Following are the transactions of Digitek Computer showroom, Baneshwor:
 - Jestha 1: Sold to Computer Bazaar, Putalisadak
50 pcs Dell Laptop @ Rs. 85,000.
50 pcs Hard Disks @ Rs. 5,000.
10 pcs Samsung Monitor @ Rs. 25,000.
 - Jestha 5: Computer Bazaar returned 10 pcs Hard Disks.
 - Jestha 10: 5 pcs HP Laptop sold to Mr. Ram @ Rs. 1,25,000 on cash.
 - Jestha 15: Sold to Hattiban Computer Centre.
5 pcs Acer Laptop @ Rs. 65,000 [5% discount]
3 pcs Dell Laptop @ Rs. 95,000
10 pcs Keyboard @ Rs. 500**Required:** Sales Book and Sales Account [3+2]
10. Following transactions are given:
 - Magh 1: Balance of cash in hand Rs. 50,000 and cash at bank Rs. 1,00,000.
 - Magh 2: Furniture purchased for Rs. 1,00,000 and payment was made through cash Rs. 40,000 and rest from cheque.
 - Magh 5: Sold goods for cash Rs. 50,000.

Magh 15: Cash received from Ram Rs. 5,000 in full settlement of his claim Rs. 6,000.
 Magh 20: Cash deposited into Bank Rs. 30,000.
 Magh 25: Cash withdrew from bank 30,000 for office use and 20,000 for personal use.
Required: Triple column cash book [7]

11. From the following information prepare a bank reconciliation statement on 31st Chaitra 2069. [7]
- The passbook showed a credit balance of Rs. 6,000.
 - Cheque paid into the bank but not yet credited Rs. 5,000.
 - Bank charges debited in pass book only Rs. 1,500.
 - Customer directly deposited into bank Rs. 10,000 but not shown in cash book.
 - Cheques worth Rs. 5,000 and Rs. 2,000 was issued but cheque of Rs. 5,000 was dishonoured by bank.
 - Interest earned Rs. 500 credited only in pass book.
 - Cheque received from customer and entered in cash book but omitted to sent into bank for collection Rs. 1,500.

12. Machinery was purchased on 1st January 2000 for Rs. 30,000 and Rs. 6,000 and Rs. 4,000 were spent on its transportation and installation. On 1st July 2001 another machinery was purchased for Rs. 26,000 and on 1st January 2002 the first machinery having become obsolete was sold for Rs. 30,000. On the same date another machine was purchased for Rs. 25,000. Depreciation was provided on machinery @ 10% on the original cost annually. Account was closed at end of June every year.
Required: Machinery account for 3 years. [1+2+4=7]

13. A company purchased a vehicle on 1st Baisakh 2062 for Rs. 2,00,000. It further purchased another vehicle costing Rs. 2,50,000 on 1st Kartik 2063. On 1st Kartik 2064, original vehicle was found unsuitable and disposed off for Rs. 1,40,000. It was replaced on that date by new vehicle costing Rs. 3,00,000. Depreciation is to be provided at the rate of 10% p.a. on written down value method.
Required: Vehicle account from 2062 to 2065. [8]

14. Following information is provided to you: [8]
- Provision for bad debts at the beginning Rs. 45,000.
 - Bad debts Rs. 15,000.
 - Debtors for the year Rs. 2,00,000.
 - Further bad debts Rs. 20,000.
 - Provision for bad debts is to maintain @ 10%.
- Required:** Provision for doubtful debt account. [3]

15. Rectify the following errors assuming that they were detected after preparing the Trial balance. [1+1+1.5+1.5=5]
- Cash Rs. 350 paid to Ram posted as Rs. 530 in Ram's account.
 - Purchase return book undercast by Rs. 500.
 - Sale of old furniture has been recorded in sales account, Rs. 5,000.
 - Wage paid Rs. 2,000 has been recorded twice.

16. The following trial balance on 31st Chaitra 2062 of trading concern is given:

Particulars	Debit	Credit
Debtors and creditors	57,000	1,18,000
Insurance	8,000	
Opening stock	53,000	
Land and building	3,40,000	
Debentures		58,000
Rent		4,000
Capital		1,48,000
Sales		3,72,000
Discount		19,000
Purchases	1,80,000	
Selling expenses	25,000	
Salaries	56,000	
	7,19,000	7,19,000

Adjustment:

- Depreciation on land and building by 10%.
- Closing stock Rs. 60,0000.

c) Salary Rs. 4,000 is still outstanding.

Required: Adjusted trial balance [5]

17. Prepare profit and loss account from the following balances: [5]

Gross profit	Rs. 1,25,000
Salaries	Rs. 72,000
Legal charges	Rs. 5,000
Audit fees	Rs.3,000
Commission (Cr.)	Rs. 10,000
Trade expenses	Rs. 12,000
Interest on investment	Rs. 5,000
Carriage outward	Rs. 10,000
Bank charges	Rs. 8,000

18. The following is the trial balance of a trading concern for the year ended Dec. 31, 2009.

Debit	Rs.	Credit	Rs.
Plant and machinery	1,96,000	Sales	2,75,000
Cash	10,600	Discount	1,200
Debtors	1,10,500	Provision for bad debt	1,500
Stock	28,800	Capital	1,15,000
Wages	9,600	Sundry creditors	7,000
Custom duty	1,500	Bills payable	840
Purchases	1,36,000	5% loan	1,00,000
Return inwards	300		
Income tax	160		
Insurance	1,500		
Discount	1,500		
Repair	480		
Travelling expenses	1,500		
Rent	600		
Drawings	1,500		
	5,00,540		5,00,540

Additional information:

a) Closing stock Rs. 20,500.

b) Wages outstanding Rs. 900.

c) Rent outstanding for 2 months.

d) Write off bad debts Rs. 500 and make provision for doubtful debts @ 5%.

e) Commission earned but not received rs. 1,000.

f) Prepaid insurance Rs. 500.

g) Depreciate plan and machinery at 10% p.a.

Required:

(i) Trading account [4]

(ii) Profit and loss account [6]

(iii) Balance sheet [5]



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Set B

1. Distinguish between capital and revenue gain. [4]
2. Write in brief about the objectives of accounting. [4]
3. Describe the features of double entry book keeping system. [4]
4. Write the errors which are disclosed by trial balance. [4]
5. What are the objectives of secret reserve? [4]
6. You are given the following transactions:
 - a) Commenced business with Rs. 2,00,000.
 - b) Deposited cash into bank Rs. 20,000.
 - c) Purchased goods for cash Rs. 50,000 and on credit Rs. 50,000.
 - d) Rent paid in advance Rs. 15,000.
 - e) Received from debtors Rs. 24,000 in full settlement of claim Rs. 25,000.

Required: Accounting equation. [5]
7. The following transaction are given:
 - a) Business started with cash Rs. 60,000 and furniture Rs. 20,000.
 - b) Krishna a debtors of Rs. 30,000 was declared insolvent and 60 paise in the rupee was received as final dividend from his estate.

- c) Withdrawn Rs. 5,000 cash and goods worth Rs. 10,000 from the business for personal use.
- d) Goods costing Rs. 4,000 was sold for Rs. 4,500.

Required: Journal entries. [5]

8. Following information are provided:
 - a) Goods purchased from Rita Rs. 50,000.
 - b) Cash paid to Rita Rs. 45,000.
 - c) Goods returned to Sita Rs. 5,000.

Required: Sita's account [3]
9. Following are the transactions of Luxury furniture centre, Kasthamandap.

Ashadh 1: Purchased from Kathmandu Furniture Mall.
50 computer tables @ Rs. 5,000.
40 book shelves @ Rs. 3,500.
(Less 10% trade discount)

Ashadh 15: Purchased 5 tea tables @ Rs. 2,500 on cash.

Ashadh 20: Purchased laptops for Rs. 95,000.

Ashadh 24: Purchased from Harihar furniture shop, Maharajgunj.
50 chairs @ Rs. 4,000 [10% discount]
40 tables @ Rs. 3,000 [5% discount]
4 TV. Tables @ Rs. 12,000.

Required: Purchase Book and Purchase Account [3+2]
10. Following transactions are given:

Bhadra 1: Balance at Bank Rs. 1,00,000 and cash in hand Rs. 50,000.

Bhadra 7: Received cheque for sale of goods Rs. 25,000.

Bhadra 12: Cash deposited into bank Rs. 20,000.

Bhadra 18: Issued a cheque of Rs. 9,500 in favour of Ramesh in settlement of Rs. 10,000.

Bhadra 24: Received Rs. 25,000 from debtors in cash.

Bhadra 27: Issued a cheque of Rs. 35,000 for the payment of salary of the month.

Required: Cash book with cash, bank and discount column [7]

11. From the following information prepare a bank reconciliation statement on 31st December 2012. [7]

- The cash book of a business man showed a credit balance of Rs. 6,000.
- Three cheques amounting Rs. 5,000, Rs. 3,000 and Rs. 1,000 was sent for collection. But cheque of Rs. 1,000 was not credited by bank.
- Cheque issued Rs. 3,000 but not presented for payment.
- Bank charged Rs. 600 as interest on overdraft and Rs. 500 bank charges.
- Customer directly deposited into bank Rs. 8,000.
- Rs. 800 has wrongly been credited on the pass book by bank.
- Electricity bills paid by bank Rs. 2,000.

12. Furniture amounting Rs. 50,000 was purchased on 1st July 2009. On 31st December 2009 new addition were made to the furniture Rs. 70,000. On October 1st 2010 again new addition were made to furniture Rs. 44,800. Company has sold the furniture purchased on 1st July 2009, for Rs. 42,000 on 31st December 2011. On the same date new addition were made for Rs. 20,000.

The company has been following original cost method of depreciation @ 20% by closing its books of account at the end of 30th June every year.

Required: Furniture account for 4 years. [1+2.5+2.5+1=7]

13. A production company purchased machine on 1st January 2009 by paying Rs. 6,01,250. The company purchase another machine costing Rs. 1,00,250 as on 30th June 2010. Company found that machine purchased on 1st January 2009 become obsolete and sold for Rs. 4,00,000. On the same date. New machine was purchased for Rs. 5,00,000.

Required: Machinery account for 4 years by applying diminishing balance method @ 20% p.a. [8]

14. Following extracts were taken from the trial balance: [8]
Trail balance as on December 2005 last year.

	Dr.	Cr.
Debtors	1,10,000	
Provision for bad debts		30,000
Bad debts	20,000	

Additional information:

- Further bad debts written off Rs. 10,000.
- Provision for bad debts maintained @ 10%.

Required: Provision for doubtful debts account. [3]

15. Following errors were located after the preparation of trial balance.

- Total of sales return was under cast by Rs. 500.
- Depreciation of plant Rs. 1,000 has not been posted in depreciation account.
- Salary paid Rs. 7,000 has been debited to wages account.
- Wages paid for installation of plant has been debited to wages account Rs. 3,000.

Required: Rectification of errors. [1+1+1.5+1.5=5]

16. Prepare trading account from the following balances: [5]

Sales	Rs. 6,00,000
Opening stock	Rs. 1,00,000
Purchase	Rs. 1,50,000
Wages	Rs. 50,000
Sales return	Rs. 10,000
Purchase return	Rs. 5,000
Carriage inward	Rs. 3,000
Royalty	Rs. 6,000
Custom duty	Rs. 12,000

17. The following trial balance of a trading company as on 31 Dec. 2012.

Debit balance	Amount	Credit balance	Amount
Carriage inwards	35,000	Capital	2,50,000
Purchases	6,00,000	Creditors	55,000
Opening stock	1,10,000	Sales	9,40,000
Salaries	75,000		
Rent	10,000		
Insurance	3,500		
General charges	16,000		
Wages	1,30,000		
Debtors	1,00,000		
Equipment	1,50,000		
Cash	15,500		
	12,45,000		12,45,000

Adjustment:

- Write of bad debts Rs. 5,000.
- Pre-paid rent Rs. 500.
- Depreciation of equipment by 10%.

Required: Adjusted trial balance

[5]

18. The following is the trial balance of a trader as on 31 Chaitra 2062 is given:

Particular	Debit	Credit
Purchase	5,50,000	-
Sales	-	6,60,000
Capital	-	4,00,000
Opening stock	3,20,000	-
Purchase return	-	10,000
Carriage inward	6,000	-
Carriage outward	8,000	-
Sales return	12,000	-
10% bank loan	-	80,000
Prepaid insurance	5,000	-
Creditors	-	30,000
Debtors	48,000	-

Discount	4,000	-
Advertisement	5,000	-
Bills payable	-	10,000
Salaries	55,000	
Interest	4,000	
Bills receivable	8,000	
General expenses	5,000	
Wages	95,000	
Cash and bank	25,000	
Furniture	20,000	
Rent	20,000	
	11,90,000	11,90,000

Additional information:

- Closing stock Rs. 6,00,000.
- 10% depreciation is to be charged on furniture.
- Bad debts Rs. 3,000 and provision for bad debts created @ 5%.
- Salaries prepaid Rs. 5,000.
- Goods lost by theft Rs. 10,000 and full claim received.
- Wages paid only for 10 months.

Required:

- Trading account [4]
- Profit and loss account [6]
- Balance sheet [5]