



Pre-Board Exam-2071

Subject: Accountancy

F.M.:100

P.M.:40

Grade: XI

Time: 3:00 hrs.

Set A

1. Explain any three objectives of accounting. [3]
2. What is double entry book keeping system? Explain its any three features. [1+2=3]
3. Explain any two objectives of trial balance. [2]
4. Differentiate between capital expenditure and revenue expenditure. [2]
5. Explain 'Error of Principle' with examples. [2]
6. Differentiate between commercial and government accounting. [3]
7. What is budget sheet? Explain briefly its parts. [3]

8. You are given the following transactions of Angel Traders:

- a) Started business with cash Rs. 1,00,000 and vehicle Rs. 80,000.
- b) Purchased goods Rs. 20,000 on credit.
- c) Paid salary Rs. 15,000 and rent Rs. 10,000
- d) Sold goods for Rs. 10,000 on credit.

Required: Accounting equation [2]

9. You are given the following transactions of Deepti Concern.

- 2014-11-02 Started business with cash Rs. 200,000 and bank Rs. 1,50,000.
 2014-11-08 Purchased goods from Gita Rs. 15,000 on credit and on cash Rs. 10,000.
 2014-11-15 Issued a cheque of Rs.14,000 to Gita in full settlement.
 2014-11-20 Received rent Rs. 20,000 and dividend Rs. 25,000.

Required:

- a) Journal entries [2]
- b) Gita account [1]

10. The following purchase related transactions of Sunjeeta Electronic Shop are provided:

- March 1** Purchased from Ananda Electric Store, Banepa
 300 pcs of 60 watt bulb @ Rs.30 each.
 50 pcs of electric holder @ Rs.20 each at 10% trade discount.
- March 5** Purchased from Akirti Electric Concern, Jawalakhel
 500 pcs of multiplug @ Rs.100 each.
 15 metre electric wire @ Rs.25 per metre

(Trade discount @ 10%)

March 15 Purchased from Rama Furniture House, Kamaladi.
 40 pcs of furniture @ Rs.1,500 each.

Required:

- a) Purchase book [2]
- b) Purchase account [1]

11. Following transactions are given to you:

- May 1: Cash in hand Rs. 30,000 and bank overdraft Rs. 10,000.
 May 2: Purchased goods for Rs. 20,000 from Sita and paid cash Rs. 5,000 partially.
 May 5: Sold goods for Rs. 30,000 and received cash Rs. 5,000 and cheque of Rs. 25,000.
 May 15: Received rent Rs. 6,000 by cheque and commission Rs. 4,000 on cash.
 May 20: Deposited cash into bank Rs. 30,000.
 May 25: Paid cash to Sita Rs. 12,000 in full settlement.
 May 27: Withdrawn cash from bank Rs. 2,000 for office use and Rs. 500 for private use.

Required: Triple column cash book [6]

12. From the following information, prepare a bank reconciliation statement on 31st January, 2015. [6]

- a) Credit balance (overdraft) as per cash book is Rs. 10,000.
- b) Cheque sent for collection but not yet credited Rs. 10,000.
- c) Interest on overdraft debited in pass book Rs. 1,500 but not recorded in cash book.
- d) Customer directly deposited into bank Rs. 10,000.
- e) Cheques worth Rs. 15,000 and Rs. 5,000 were issued but cheque of Rs. 15,000 was dishonoured by bank.
- f) Dividend received Rs. 5,000 and credited only in pass book.
- g) Cheque amounting Rs. 5,000 received from customer and entered in cash book but omitted to send into bank for collection.

13. Zonal Company purchased a machine on 1st Shrawan 2067 for Rs. 1,00,000. It also purchased another machine costing Rs. 50,000 on 1st Kartik 2068. On 1st Magh 2069, second machine was found unsuitable and disposed off for Rs. 35,000. On that date, it installed new machine for Rs. 80,000. Depreciation is charged @ 10% p.a. under reducing balance method at the end of Chaitra every year.

Required: Machine Account from 2067 to 2069 [2+2+4=8]

14. Rectify the following errors which were detected before preparing the trial balance. [2+1+1=4]

- a) Purchased goods from Ram Rs. 10,000, was recorded as sales.
- b) Purchase return book was under cast by Rs. 1,000.
- c) Sold furniture Rs. 5,000 has been recorded in furniture account Rs. 500.

15. The following trial balance on 31st December 2014 of Supreme Traders is given:

Particulars	Debit	Credit
Debtors	30,000	
Trade creditors		40,000
Opening stock	30,000	
Fixed assets	3,20,000	
Bank loan		80,000
Capital		2,00,000
Sales		2,00,000
Salary	10,000	
Purchases	70,000	
Rent	40,000	
Goodwill	20,000	
Total	5,20,000	5,20,000

Adjustment:

- Depreciation on fixed assets by 10% p.a.
- Closing stock Rs. 10,000.
- Bad debt Rs. 6,000.

Required: Adjusted trial balance

[3]

16. Following particulars are provided:

- Opening provision for bad debt Rs. 20,000.
- Bad debt written off during the year Rs. 6,000.
- Trade debtors at the end of the year Rs. 200,000.
- The provision for bad debt is to be maintained at 5% on debtors.

Required: Provision for bad debts account

[2]

17. The following is the trial balance of a trading concern for the year ended Dec. 31, 2014.

Particulars	Debit (Rs)	Credit (Rs)
Opening stock	30,000	
Plant & machinery	80,000	
Furniture	40,000	
Sundry debtors	80,000	
Cash at bank	26,000	
Purchases	2,00,000	
Wages & other direct expenses	30,000	
Carriage inward	5,000	
Office salary	20,000	
Bad debts	500	
General expenses	1,500	
Commission	2,000	
Office rent	20,000	
Drawing	15,000	
Prepaid insurance	5,000	
Capital		1,50,000
5% Bank loan		50,000
Sundry creditors		40,000
Sales		3,00,000
Purchase return		10,000
Provision for doubtful debts		2,000
Discount and commission		3,000
Total	5,55,000	5,55,000

Additional information:

- Plant & machinery and furniture are to be depreciated by 10% each.
- Provision for doubtful debt is to be maintained at 5%.
- Office salary to be paid Rs 5,000.
- Closing stock to be valued at Rs 1,00,000.
- Prepaid rent Rs. 5,000.
- Prepaid insurance expired to the extent of Rs. 2,000.

Required:

- Trading account
- Profit and loss account
- Balance sheet

[4]

[6]

[5]

18. On 1st July, 2014, Ram started a business with cash Rs.40,000 and vehicle of Rs. 30,000. He withdrew Rs. 2,000 every two months for his personal use. At the end of the year 2014, his financial position was as follows :

Cash	Rs. 35,000	Machinery	Rs. 40,000
Outstanding Exp.	Rs. 20,000	Debtors	Rs. 50,000
Investment	Rs. 20,000	10% Loan	Rs. 20,000

He sold personal ornament and invested in the business Rs. 20,000.

Additional information:

- Depreciate fixed assets by 10% p. a.
- Write off bad debt Rs.3,000.
- Interest on loan is to be paid for whole year.

Required: a) Statement of affairs
b) Statement of profit and loss

[2+2=4]

19. The Balance Sheet and Receipt and Payment Account of Supreme Sport Club are given below:

Balance Sheet
As on 31st Chaitra, 2069

Liabilities	Amount	Assets	Amount
Capital fund	1,90,000	Premises	120,000
Subscription	10,000	Machinery	50,000
Outstanding rent	5,000	Subscription due	5,000
		Cash balance	30,000
	2,05,000		2,05,000

Receipt and Payment Account
For the year ended on 31st Chaitra 2070

Receipts	Amount	Payments	Amount
To Balance b/d	30,000	By Rent	20,000
To Subscription:		By Salaries	32,000
2069	4,000	By Stationery	5,000
2070	50,000	By Machinery	30,000
2071	<u>10,000</u>	By Investment	50,000
To Locker rent	15,000	By Insurance	3,000
To Donation	50,000	By Honorarium	5,000
To Entrance fee	20,000	By Balance c/d	59,000
To Life membership fee	25,000		
	204,000		204,000

Additional information:

- Subscription due Rs. 20,000
- Salary includes Rs. 2,000 paid for 2071
- Depreciation on machinery @ 10% p. a.
- 40% of donation is to be capitalized

Required: a) Income & expenditure account

b) Balance sheet [5+5=10]

20. The following transactions of District Education Office are given:

Baishakh 1: Received bank order letter of Rs.4,00,000 and budget release order for the expenses of previous month of Rs.5,00,000 and paid bank charges Rs. 5,000.

Baishakh 7: Opened L/C account of Rs. 2,00,000 in favour of M/S Honda Co. Ltd. to purchase motorcycle for office.

Baishakh 30: Out of total salary for the month of Rs. 1,32,000, a cheque was issued after deducting provident fund of Rs.24,000, income tax of Rs.10,000 and advance salary of Rs.5,000.

Required: Journal vouchers [2+1+2= 5]

21. The transactions of District Health Post for the month of Magh, 2071 are as follows:

Magh 1 Bank balance Rs. 100,000

Magh 5 Received bank order and budget release order of Rs.1,50,000.

Magh 10 Paid office rent @ Rs.10,000 per month for Poush, Magh and Falgun by issuing a cheque No. 00783.

Magh 18 Office Chief Mrs. Junu presented the bill of local allowance of Rs.10,000 against the advance of Rs.12,000 for clearing the advance.

Magh 25 Issued a cheque of Rs. 80,000 for the distribution of salary after making deduction of provident fund as per the rules and income tax of Rs.10,000.

Required: Bank Cash Book [6]

22. The following information has been provided by District Development Office, Lamjung.

Budget head No.	Budget head	Annual budget	Expenses upto Chaitra	Expenses of Baishakh
21111	Salary	96,000	33,000	8,000
21113	Dearness allowance	4,000	1,400	300
22311	Office expenses	5,000	2,000	500
22612	Travelling expenses	15,000	4,600	1,200
29511	Machinery & Equipment	35,000	-	10,000
	Total	1,55,000	41,000	20,000

Additional information:

- Total amount of revolving fund received Rs. 68,000.
- Petty cash fund Rs. 500.
- Uncleared advanced on furniture Rs.500.

Required: Monthly statement of expenditure [5]



Pre-Board Exam-2071

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F.M.:100

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Set B

1. What is book keeping? Explain its any two objectives. [1+2=3]
2. Explain 'Accounting Period Concept' and 'Cost Principle'. [3]
3. Explain the term 'Error of Omission' with example. [2]
4. Write the meaning of revenue receipt with examples. [2]
5. Differentiate between reserve and provision. [2]
6. What is new accounting system? Explain its any two features. [1+2= 3]
7. What is bank cash book? Explain the accounts involved in it. [1+2=3]

8. You are given the following transactions of Rajesh Traders:

- a) Commenced new business with cash Rs. 1,50,000.
- b) Credit purchase Rs. 10,000.
- c) Paid rent Rs. 10,000 including advance Rs. 3,000
- d) Paid Rs. 9,000 to creditor in full settlement of Rs. 10,000.

Required: Accounting equation [2]

9. You are given following transactions of Sushan Trading Concern.

- 2015- 03-02 Set up a new business with cash Rs. 80,000 and stock Rs. 20,000
- 2015- 03-08 Purchased computer from Sohan Rs. 30,000 and issued a cheque of Rs. 10,000 partially.
- 2015- 03-15 Received Rs. 14,000 from Jubin in full settlement of Rs. 15,000.
- 2015- 03-20 Deposited cash into bank Rs. 20,000.

Required: a) Journal entries [2]
b) Cash account [1]

10. The following sales related transactions of Prabin Grossery Shop are given to you:

Bhadra 5 Sold to Ajaya Store

- 50 dozens of soap @ Rs. 30 per piece.
150 packets of noodles @ Rs. 200
(Trade discount at 10%)

Bhadra 10 Sold to Bijaya Traders

50 sacks of mansuli rice @ Rs.1,500.

150 kg of bean @ Rs. 50 per kg at 10% trade discount

Bhadra 15 Sold old furniture for Rs. 10,000 on credit

Required: a) Sales book [2]
b) Sales account [1]

11. Following transactions of Jupiter Traders are given to you:

- 2015-03-01: Cash in hand Rs. 50,000 and bank balance Rs. 80,000.
- 2015-03-04: Deposited cash into bank Rs. 20,000.
- 2015-03-10: Purchased goods for Rs. 15,000 and paid by cash Rs. 10,000 and cheque of Rs. 5,000.
- 2015-03- 14: Withdrawn cash from bank Rs. 10,000 for office use and Rs. 2,000 for domestic use.
- 2015-03- 20: Sold goods for cash Rs. 50,000 and received a cheque of Rs. 20,000 partially.
- 2015-03- 25: Received a cheque of Rs. 30,000 from Jack in full settlement of Rs. 32,000.
- 2015-03- 27: Received rent for Rs. 30,000 by cheque.

Required: Three column cash book [6]

12. From the following information, prepare a bank reconciliation statement on 31st March, 2015. [6]

- a. Debit balance (overdraft) as per pass book is Rs. 20,000.
- b. Cheques amounting Rs. 5,000 and Rs. 7,000 paid into bank but first cheque was only credited.
- c. Interest on investment credited only in pass book Rs. 10,000.
- d. Cheques worth Rs. 20,000 and Rs. 6,000 were drawn but cheque of Rs. 6,000 was not presented in the bank.
- e. A customer directly deposited into bank Rs. 8,000.
- f. Electricity bill Rs. 2,000 paid by bank.
- g. Cheque worth Rs. 8,000 received but forgotten to send for collection.

13. District Company purchased computers on June 30, 2012 for Rs. 46,000 and spent Rs. 2,000 each for installation and transportation. It also purchased another computer costing Rs. 30,000 on 1st April, 2013. On 31st September 2014, it sold the computer, purchased on 30th June 2012, for Rs. 40,000. On the same date, new computer worth Rs. 80,000 was also purchased. Depreciation is charged @ 10% p.a. under original cost method at the end of December every year.

Required: Computers Account for first 3 years [2+2+4=8]

14. Rectify the following errors which were found after preparing the trial balance. [2+1+1=4]

- Sold goods to Sita Rs. 25,000, was recorded as purchase.
- Paid salary Rs. 5,000 was under recorded in salary account by Rs. 1,000.
- Received commission Rs. 5,500 has not been recorded.

15. The following trial balance on 31st Chaitra 2070 of Star Trading Concern is given:

Particulars	Debit	Credit
Opening stock	15,000	
Insurance	10,000	
Trade debtors	20,000	
Capital		1,00,000
Creditors		15,000
Plant & machinery	80,000	
Loan		30,000
Sales		50,000
Purchases	38,000	
Salary & wages	12,000	
Rent	20,000	
Total	1,95,000	1,95,000

Adjustment:

- Depreciation on fixed assets by 10% p.a.
- Closing stock Rs. 5,000.
- Prepaid insurance Rs. 4,000.

Required: Adjusted trial balance

[3]

16. Following particulars are extracted from the trial balance of Harish Traders.

Particulars	Debit	Credit
Provision for bad debt		3,000
Debtors	53,000	
Bad debts	5,000	

Additional information:

Create provision for bad debt at 3% on debtors after writing off Rs. 3,000 as bad debt.

Required: Provision for bad debt account

[2]

17. The following is the trial balance of a trading concern for the year ended Dec. 31, 2014.

Particulars	Debit (Rs)	Credit (Rs)
Opening stock	5,000	
Purchase	1,50,000	
Trade Debtors	90,000	
Plant and machinery	65,000	
Wages	30,000	
Preliminary expenses	20,000	
Carriage inward	4,000	
Salaries	20,000	
Bad debts	3,000	
Office expenses	10,000	
Land & building	1,30,000	
Drawing	10,000	
Capital		2,00,000
10% Loan (1 st July, 2014)		40,000
12% Investment	50,000	
Sundry creditors		25,000
Sales		3,00,000
Sales return	2,000	
Interest on investment		6,000
Provision for doubtful debts		3,000
Rent		10,000
Unearned commission		5,000
Total	<u>5,82,000</u>	<u>5,82,000</u>

Additional Information:

- Depreciate plant & machinery @ 10% and appreciate land & building by 10% each.
- Provision for doubtful debt is to be maintained at 5%.
- Write off 20% preliminary expenses
- Closing stock was valued at Rs 1,50,000.
- Office expenses due Rs 5,000.

Required:

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

18. Mr. Sijan maintains his books under single entry system. His assets and liabilities were as follows:

	<u>2013/12/31</u>	<u>2014/12/31</u>
Machinery	Rs. 40,000	Rs. 90,000
Furniture	Rs. 15,000	Rs. 50,000
Debtors	Rs. 30,000	Rs. 35,000
Creditors	Rs. 15,000	Rs. 10,000

He sold his own furniture for Rs. 20,000 and invested in the business. He has taken Rs. 5,000 every three months for private use.

Additional information:

- Depreciate furniture by 10% p. a.
- Write off bad debt Rs.3,000.

Required: a) Statement of affairs

b) Statement of profit and loss [2+2=4]

19. The Balance Sheet and Receipt and Payment Account of Sahara Sport Club are given below:

Balance Sheet
As on 31st December, 2013

Liabilities	Amount	Assets	Amount
Capital fund	1,00,000	Cash balance	16,000
Subscription	5,000	Furniture	20,000
Outstanding salary	3,000	Land & building	70,000
		Subscription due	2,000
Total	<u>1,08,000</u>	Total	<u>1,08,000</u>

Receipt and Payment Account
For the year ended on 31st December, 2014

Receipts	Amount	Payments	Amount
To Balance b/d	16,000	By Rent	10,000
To Subscription	45,000	By Salaries	
To Locker rent	13,000	2013 2,000	
To Donation	25,000	2014 <u>12,000</u>	14,000
To Entrance fee	40,000	By Printing &	
To Life membership fee	15,000	stationery	5,000
		By Furniture	30,000
		By 5% Investment	40,000
		By Insurance	5,000
		By Balance c/d	50,000
Total	<u>1,54,000</u>	Total	<u>1,54,000</u>

Additional information:

- Subscription due Rs.20,000

- Subscription received included Rs. 5,000 for 2015
- Insurance premium was paid for 12 months upto the end of June 2015
- Depreciate furniture @ 10% p. a.
- 40% of entrance fee is revenue income

Required: a) Income and expenditure account

b) Balance sheet [5+5=10]

20. Prepare Journal Voucher (AGF No. 10) of District Irrigation Office, Kathmandu, from the following transactions:

- On 2071-04-01, Issued a cheque No. 013 of Rs.1,000 to create petty cash fund and handed it over to petty cashier Gita Gautam.
- On 2071-04-03, Section officer Ram Khanal submitted bill of expenditure Rs. 8,000 against travelling expenses advance Rs. 10,000.
- On 2071-4-28, Out of total staffs' salary Rs.1,65,000 (including government contribution to provident fund) for the month of Shrawan, provident fund as per rules & income tax Rs. 5,000 were deducted and the balance was distributed by issuing a cheque No. 015.

Required: Journal vouchers

[2+1+2= 5]

21. The transactions of District Health Post Office for the month of Falgun, 2071 are as follows:

Falgun 1 Balance at bank Rs. 150,000

Falgun 5 Received bank order Rs. 4,00,000 and budget release order of Rs. 5,50,000 and paid bank charges Rs. 10,000.

Falgun 10 An excess amount of Rs.5,000 was paid by cheque No. 00782 to the Section Officer Gopal Rana in order to settle the furniture advance as shown in statement of expenditure of Rs. 20,000.

Falgun 15 Issue a cheque No. 00783 for rent @ Rs. 5,000 per month for Magh, Falgun and Chaitra after deducting rent tax at 10%.

Falgun 29 Out of total staffs' salary Rs.1,32,000 (including government contribution to provident fund) for the month of Falgun, provident fund Rs. 24,000 & income tax Rs. 4,000 were deducted and the rest was distributed by issuing a cheque No. 00786.

Required: Bank Cash Book

[6]

23. The following information of District Health Post, Rupandehi, are supplied to you:

Budget head No.	Budget head	Annual budget	Expenses upto Kartik	Expenses of Marga
21111	Salary	3,00,000	1,00,000	25,000
22111	Water and electricity	60,000	20,000	4,000
22121	House rent	1,20,000	48,000	12,000
29311	Furniture & fixture	30,000	5,000	15,000
29511	Machinery & equipment	40,000	15,000	10,000
	Total	5,50,000	1,88,000	66,000

Additional information:

- * Amount received on revolving fund Rs. 2,60,000.
- * Petty cash balance Rs. 500.
- * Advance account of bank cash book shows debit Rs. 10,000 and credit Rs. 8,000 for the purchase supplies.
- * Loan to nearby office Rs. 15,000

Required: Statement of expenditure for the month of Marga. [5]

Good Luck