



Second Term Exam-2071

Grade: XI
Time: 3:00 hrs.

Subject: Accountancy

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

Set A

1. What is book keeping? Explain its any two objectives. [1+2=3]
2. What is double entry book keeping system? Write its any three advantages. [1.5+1.5=3]
3. Define 'Accounting Period Concept' and 'Revenue Realization Concept'. [3]
4. Explain any three objectives of trial balance. [3]
5. What is capital expenditure? Write down its examples. [2+1=3]
6. Define 'Error of Principle' and 'Error of compensating'. [1.5+1.5]
7. **You are given the following transactions of Subash Concern:**
 - a) Started business with cash Rs. 1,80,000 and bank Rs. 50,000.
 - b) Purchased goods Rs. 10,000 by cash and on credit Rs. 20,000.
 - c) Received commission Rs. 5,000 and rent Rs. 10,000.
 - d) Paid interest Rs. 4,000 and still payable Rs. 2,000.
 - e) Sold machine for Rs. 8,000 (cost price Rs. 10,000).**Required:** Accounting Equation [5]

8. **You are given the following transactions of Tripti Enterprises.**

2014-11-02	Started business with cash Rs. 3,00,000 and furniture Rs. 30,000.
2014-11-18	Purchased goods from Shasi Rs. 25,000 and paid Rs. 5,000 partially.
2014-11-15	Received a cheque of Rs. 10,000 from Hari in full settlement of Rs. 12,000.
2014-11-20	Paid rent Rs. 20,000 and salary Rs. 25,000.
2014-11-25	Sold vehicle costing Rs. 10,000 for Rs. 13,000.

Required: Journal Entries [5]

9. **Following information of Sushma Traders are supplied to you:**

2014-12-01	Debit balance of Shyam Account Rs. 10,000
2014-12-05	Sold goods to Shyam Rs. 50,000.
2014-12-08	Returned goods by Shyam Rs. 5,000.
2014-12-09	Received cheque from Shyam Rs. 45,000.
2014-12-10	Again sold goods to Shyam Rs. 30,000 on cash.
2014-12-25	Received cash Rs. 9,000 from Shyam in full settlement of Rs. 10,000.

Required: Shyam's Account [5]

10. **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
(Trade discount @ 10%)

Jestha 5 Returned 10 pcs hard disks from Computer Bazaar.

Jestha 10 Sold 5 pcs HP Laptop to Mr. Ram @ Rs. 1,25,000 on cash.

Jestha 15 Sold to Hattiban Computer Centre.

5 pcs Acer Laptop @ Rs. 65,000 at 5% trade discount
3 pcs Dell Laptop @ Rs. 95,000
10 pcs Keyboard @ Rs. 500

Required: Sales Book and Sales Account [3+2]

11. **Following transactions are given:**

Magh 1: Balance of cash in hand Rs. 50,000 and cash at bank Rs. 1,00,000.

Magh 2: Purchased furniture for Rs. 40,000 and paid by cash Rs. 10,000 and rest by cheque.

Magh 5: Sold goods for cash Rs. 50,000.

Magh 15: Received cash from Ram Rs. 5,000 in full settlement of Rs. 6,000.

Magh 20: Deposited cash into bank Rs. 30,000.

Magh 25: Paid salary and rent Rs. 10,000 and 15,000 respectively.

Magh 27: Withdrawn cash from bank 30,000 for office use and 5,000 for personal use.

Magh 30: Received commission Rs. 5,000

Required: Triple Column Cash Book [8]

12. From the following information prepare a bank reconciliation statement on 31st Chaitra 2070. [7]

- a) Balance (credit) as per pass book is Rs. 6,000.
- b) Cheque paid into the bank but not yet credited Rs. 5,000 in pass book.
- c) Bank charges debited in pass book only Rs. 1,500.
- d) Customer directly deposited into bank Rs. 10,000 but not shown in cash book.
- e) Cheques worth Rs. 5,000 and Rs. 2,000 were issued but cheque of Rs. 5,000 was not presented for payment.
- f) Interest earned Rs. 500 credited only in pass book.
- g) Cheque received from customer and entered in cash book but omitted to send into bank for collection Rs. 1,500.

13. A Ltd. Company purchased machinery on 1st January 2013 for Rs. 40,000 and spent Rs. 6,000 for transportation and Rs. 4,000 for installation. On 31st September, 2014, company sold machinery for Rs. 38,000. On the same date, another machine was purchased for Rs. 25,000. Depreciation is charged @ 10% p. a. under the original cost method at end of December every year.

Required: Machinery Account for 2 years [2+4=6]

14. A company purchased a vehicle on 1st Baishakh 2068 for Rs. 2,00,000. It further purchased another vehicle costing Rs. 2,50,000 on 1st Kartik 2068. On 1st Magh 2070, first vehicle was found unsuitable and disposed off for Rs. 1,40,000. On that date, new vehicle costing Rs. 3,00,000 was also purchased. Depreciation is charged @ 10% p.a. under written down value method at the end of Chitra every year.

Required: Vehicle Account from 2068 to 2070 [2+2+4=8]

15. Rectify the following errors assuming that they were detected after preparing the trial balance. [1+1+1.5+1.5=5]

- a) Cash Rs. 350 paid to Ram was posted as Rs. 530 in Ram's account.
- b) Purchase return book was undercast by Rs. 500.
- c) Sale of old furniture has been recorded as sales account, Rs. 5,000.
- d) Wage paid Rs. 2,000 has been recorded twice.

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

Particulars	Debit	Credit
Debtors and creditors	57,000	1,18,000
Insurance	8,000	
Opening stock	53,000	
Plant & machinery	3,40,000	
Loan		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	
Total	7,19,000	7,19,000

Adjustment:

- a) Depreciation on plant & machine by 10% p.a.
- b) Closing stock Rs. 60,000.
- c) Salary Rs. 4,000 is still outstanding.

Required: Adjusted Trial Balance

[5]

17. You are given the following ledger balances from the book of Supravat Trading Concern:

Dr.		Cr.	
Particulars	Amount	Particulars	Amount
Closing stock	30,000	Capital	2,50,000
Salaries	72,000	Profit on sale of furniture	5,000
Legal charges	5,000	Reserve	10,000
Audit fees	3,000	Creditors	20,000
Land & building	2,00,000	Commission (Cr.)	10,000
Debtors	30,000	Bank loan	40,000
Plant	1,00,000	Provision for bad debt	2,000
Cash at bank	20,000	Interest received	5,000
Goodwill	7,000	Gross profit	1,25,000
Total	4,67,000	Total	4,67,000

Adjustment:

- Bad debt Rs. 2,000
- Prepaid salary Rs. 10,000

Required: Profit and Loss Account and Balance sheet [4+4=8]

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

Particulars	Amount Rs.	Particulars	Amount Rs.
Plant and machinery	196,000	Sales	275,000
Cash	10,600	Discount	1,200
Debtors	110,500	Provision for bad debt	1,500
Opening stock	28,800	Capital	115,000
Wages	9,600	Sundry creditors	7,000
Bad debt	2,000	Bills payable	2,840
Custom duty	1,500	5% Bank loan	100,000
Purchases	136,000	Commission	5,000
Bank charges	500		
Return inwards	300		

Prepaid Insurance	160		
Advertisement	1,500		
Carriage on sales	1,500		
Discount	500		
Repair	480		
Travelling expenses	1,500		
Rent	600		
Trade expenses	2,500		
Drawings	1,500		
Carriage on purchase	1,500		
Total	507,540	Total	507,540

Additional information:

- Closing stock Rs. 80,000.
- Prepaid wages Rs. 900.
- Rent outstanding for 2 months.
- Write off bad debts Rs. 500 and create provision for doubtful debts @ 5%.
- Commission earned but not received Rs. 1,000.
- Prepaid insurance was expired to the extent of Rs. 100.
- Depreciate plant and machinery at 10% p.a.

Required:

- Trading Account [4]
- Profit and Loss Account [6]
- Balance Sheet [5]

Good Luck



Second Term Exam-2071

Grade: XI
Time: 3:00 hrs.

Subject: Accountancy

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

Set B

1. What is accounting? What are its any two objectives? [1+2=3]
2. Define 'Going Concern Concept' and 'Cost Principle'. [1+2=3]
3. Explain any three features of double entry system. [3]
4. What is trial balance? What are its objectives? [3]
5. Define 'Error of Commission' and Error of Omission'. [3]
6. Distinguish between capital receipts and revenue receipts. [3]

7. 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) Paid rent in advance Rs. 15,000.
- e) Received from debtors Rs. 24,000 in full settlement of Rs. 25,000.

Required: Accounting Equation [5]

8. The following transaction are given:

- | | |
|------------|--|
| 2014-12-01 | Started new business with cash Rs. 60,000 and furniture Rs. 20,000. |
| 2014-12-05 | Sold goods to Himal Rs. 20,000 and received Rs. 5,000 partially. |
| 2014-12-11 | Withdrawn Rs. 5,000 cash and goods worth Rs. 4,000 from the business for personal use. |
| 2014-12-15 | Furnitures costing Rs. 10,000 was sold for Rs. 12,500. |
| 2014-12-20 | Paid insurance premium Rs. 10,000 and wages Rs. 5,000. |

Required: Journal Entries [5]

9. Following information are provided:

- | | |
|------------|---|
| 2014-11-01 | Credit balance of Sita Account Rs. 8,000. |
| 2014-11-04 | Purchased goods from Sita Rs. 40,000. |
| 2014-11-10 | Returned goods to Sita Rs. 2,000. |
| 2014-11-15 | Paid cash to Sita Rs. 30,000. |
| 2014-11-20 | Purchased goods from Sita Rs. 20,000 and paid Rs. 15,000 partially. |
| 2014-11-28 | Paid to Sita Rs. 20,000 in full settlement of Rs. 21,000. |

Required: Sita's Account [5]

10. Following are the transactions of Luxury Furniture Centre

Ashadh 1: Purchased from Kathmandu Furniture Mall.
50 computer tables @ Rs. 5,000.
40 book shelves @ Rs. 3,5000.
(Less 10% trade discount)

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

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

Ashadh 24: Purchased from Harihar Furniture Shop
50 chairs @ Rs. 4,000
40 tables @ Rs. 3,000 at 10% trade discount
4 TV. Tables @ Rs. 12,000

Required: Purchase Book and Purchase Account [3+2]

11. Following transactions are given:

- | | |
|------------|---|
| Bhadra 1: | Balance at bank Rs. 1,00,000 and cash in hand Rs. 50,000. |
| Bhadra 7: | Sold goods and received cheque for Rs. 25,000. |
| Bhadra 10: | Received commission Rs. 5,000 by cash and rent Rs. 10,000 by cheque |
| Bhadra 12: | Deposited cash into bank Rs. 20,000. |
| Bhadra 17: | Issued a cheque of Rs. 9,500 in favour of Ramesh in settlement of Rs. 10,000. |
| Bhadra 21: | Purchased goods Rs. 25,000 from Sunil and paid Rs. 15,000 partially. |

Bhadra 25: Issued a cheque of Rs. 10,000 for the payment of salary.

Bhadra 28: Received cash Rs. 25,000 from debtors.
Required: Cash book with cash, bank and discount column [8]

12. From the following information, prepare a bank reconciliation statement on 31st December 2014. [7]

- Balance (debit) as per cash book of a businessman is Rs. 6,000.
- Three cheques amounting Rs. 5,000, Rs. 3,000 and Rs. 1,000 were 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 as bank commission.
- A customer directly deposited into bank Rs. 8,000.
- Rs. 800 has wrongly been credited in the pass book by bank.
- Electricity bills paid by bank Rs. 2,000.

13. Supreme Company purchased furniture for Rs. 50,000 on 1st July 2012 with estimated salvage value of Rs. 10,000 and life of 10 years. On 31st August same year, addition was made for Rs. 65,000 with estimated salvage value of Rs. 15,000 and life of 10 years. On 31st December 2014, it sold the furniture for Rs. 40,000 which was purchased on 1st July 2012. On the same date, it again purchased other furniture Rs. 25,000 having estimated salvage value of zero and life of 5 years.

The company has followed fixed installment method of depreciation at the end of December every year.

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

14. Getly Company purchased machine Rs. 1,20,000 on 1st April 2013. On 30th September, 2014, it found that machine became obsolete and sold for Rs. 90,000. On the same date, it purchased new machine for Rs. 2,00,000. Depreciation is charged under

diminishing balance method @ 10% p.a. on 31st December every year.

Required: Machinery Account for first 2 years [2+4=6]

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

- Total of sales return book was under cast by Rs. 500.
- Depreciation of plant Rs. 1,000 was not posted in depreciation account.
- Salary paid Rs. 7,000 was 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. Trial balance of a trading company as on 31st December 2014 is given below:

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		
Total	12,45,000	Total	12,45,000

Additional information:

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

Required: Adjusted Trial Balance [5]

17. Following ledger balances of Suprio Traders are given below:

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
Account receivable	8,000	Overdraft	10,000
Land & building	150,000	Interest on investment	5,000
Drawing	5,000	Account payable	5,000
Interest on overdraft	1,000	Reserve fund	5,000
Cash	20,000	Discount received	10,000
Advertising	5,000	Rent received	4,000
Closing stock	40,000	Capital	110,000
Gross loss	10,000	Bank loan	100,000
Trade expenses	10,000		
Total	249,000	Total	249,000

Adjustment:

- Appreciate land by 5% p.a.
- Accrued rent Rs. 5,000

Required: Profit and Loss Account and Balance Sheet [4+4=8]

18. The following is the trial balance of a trader as on 31 Chaitra 2070 is given:

Particular	Debit	Credit
Purchase	5,50,000	-
Sales	-	7,65,000
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	-
General reserve	-	30,000
Bank loan	-	80,000
Prepaid insurance	5,000	-
Creditors	-	38,000

Debtors	48,000	-
Discount	3,000	4,000
Advertisement	5,000	-
Bills payable	-	10,000
Salaries	55,000	-
8% Investment	50,000	-
Interest	5,000	-
Bills receivable	8,000	-
Commission	10,000	13,000
General expenses	5,000	-
Wages	95,000	-
Cash and bank	25,000	-
Furniture	20,000	-
Rent	20,000	-
Plant and machinery	1,00,000	-
Total	13,50,000	13,50,000

Additional information:

- Cost price and market price of closing stock is Rs. 3,00,000 and 3,50,000 respectively.
- Depreciate plant & machine by 10% and furniture by 5%.
- Bad debts Rs. 3,000 written off and provision for bad debts created @ 5%.
- Prepaid salaries Rs. 5,000.
- Goods lost by theft Rs. 10,000 and Insurance Company accepted full claim.
- Wages paid for 10 months only.
- Prepaid insurance was expired to the extent of Rs. 4,000.

Required:

- Trading Account [4]
- Profit and Loss Account [6]
- Balance Sheet [5]

Good Luck