



ÉCOLE GLOBALE

INTERNATIONAL GIRLS' SCHOOL

Dehradun

HOLIDAY HOMEWORK - CLASS XI B Accounts

QUESTIONS ON ACCOUNTING BASICS:-

- Q1. What is meant by accounting standard? What is the main objective of accounting standard?
- Q2. Explain the following concepts.
- Business entity concept
 - Going concern concept
 - Revenue recognition concept
- Q3. Explain the utility of Accounting Standards.
- Q4. Which principle assumes that a business enterprise will not be liquidated in near future?
- Q5. "Closing stock is valued lower than the market price" which concept of accounting is applied here?
- Q6. 'An asset may be defined as a bundle of services' – explain with an example.
- Q7. Under which accounting principle, quality of manpower is not recommended in the books of accounts?

QUESTIONS ON SUBSIDIARY BOOKS

- Q8. Enter the following transactions in a single column cash book for the month of January 2008 from the following particulars:

January 2017		Rs
1	Cash in hand	2,000
2	Goods sold	18,000
4	Paid salaries to employees	10,000
6	Payment made to a creditor A by cheque	5,000
8	Cash sales of Rs. 30,000 out of which Rs. 5,000 immediately deposited into bank.	
9	Cash sales of Rs. 28,000 out of which Rs. 10,000 was deposited into bank on 12 th January	
15	Purchased goods from Hari Ram	6,000
18	Paid to transporter	1,000
19	Sold goods to Manik Chand	3,000
28	Paid electricity bill	500
30	Paid to Mr. Sharma Rs.140 and discount received Rs.10	

Q9. From the following information prepare a Two column cash book.

2017		
March 1	Cash in hand	5000
March 1	Cash at bank	6000
March 3	Cheque received from Naresh	3000
	Discount allowed	100
March 4	Cheque received from Naresh was deposited into bank	
March 6	Naresh's cheque dishonoured	
March 7	Cheque paid to Ram	4000
	Discount received	200
March 9	Cash withdrawn from bank for office use	2000
March 10	Withdrawn from bank for paying income tax	2500
March 12	Cheque received from Harish and endorsed it to Shivam on 13 th March	4000
March 14	Given a cheque to Amber for cash purchase of furniture for office use	3000
March 16	Cash purchase of Rs. 1,500 less 10% trade discount	
March 18	Cheque received for sales of Rs. 10,000 less 10% trade discount cheque was immediately deposited into bank	
March 25	Paid commission by cheque	2000
March 27	Paid rent	3000
March 28	Received bank interest	1000
March 29	Paid bank charges	500
March 31	Paid into bank the entire balance after retaining Rs. 500 at office.	

Q10. Prepare an Analytical Petty Cash Book on the Imprest System from the following:

November	2017	Rs.
1	Received Rs. 1,000 for Petty Cash	
2	Paid bus fare	5
2	Paid cartage	25
3	Paid for postage and telegrams	50
3	Paid wages for casual laborers	60
4	Paid for stationery	40
4	Paid auto charges	20
5	Paid for repairs to chairs	150
5	Bus fare	10
5	Cartage	40
6	Postage and telegrams	70
6	Conveyance charges	30
6	Cartage	30
6	Stationery	20
6	Refreshment to customers	50

Q11. Enter the following transactions in the Purchases Book of Rozer Electronics Delhi.

2010	Particulars
Jan 3	Bought from Bharat Electric Co. Dwarka Delhi on credit (Invoice No. 1238)) 100 Tube light @ Rs. 40 each 50 Table fans @ Rs. 415 each 30 Electric Iron -Bajaj @ Rs. 200 each Trade Discount 10%
Jan 9	Purchased from Ashoka Traders, Karol Bag, New Delhi on credit (Invoice No. 551) 30 Table fans – Polar @ 600 each 20 Mix grinders – Usha @ Rs.500 each Trade Discount 15%
Jan 16	Bought goods from Royal Electric Co. Kashmiri Gate, Delhi on credit (Invoice No. 252) 20 Duson Bulbs @ Rs.100 per dozen 10 Table fans @ Rs. 500 each Less : Trade Discount 15%
Jan 22	Bought from Prakash Lamps, Delhi for cash (Memo No. 715) 10 Table fans – Orient @ Rs. 600 each
Jan.29	Bought from Laxmi Furniture, Rohtak on credit (Invoice No. 4312) 2 Tables @ 2000 each 10 Chairs @ Rs. 400 each.

Q12. Enter the following transactions in the Purchases Book of Sudarshan Chavda :

2011

- May 1 Purchased from Suresh Gupta, Jaipur (Invoice No. 2680)
100 bags wheat @Rs. 400 per bag
50 bags Gram @ Rs. 450 per bag
200 bags sugar @ Rs. 900 per bag
- May 5 Bought of Virendra Vig. Delhi (Invoice No.2015)
100 bags wheat @ Rs. 400 per bag
100 bags Gram @ Rs. 450 per bag
- May 8 Surendra Gupta, Agra sold to us : (Invoice No. 2950)
100 bags sugar @ Rs. 900 per bag
- May 9 Rajesh Kumar, Dehradun sold to us (Invoice No. 350)
200 bags wheat @ Rs. 460 per bag.

Q13. From the following particulars of Baljinder Flour Mills prepare a Sales Book :

2005

- Mar. 3 Sold to Gupta Brothers
90 Bags of Sugar @ Rs. 85 per bag
20 Quintals Rice @ Rs. 300 per quintal

- Less : 10% Trade Discount
- Mar.6 Sold to Jugal Furniture House
80 Chairs of Rs. 10 each
- Mar.20 Sold to M/s Kunal & Sons for cash
30 qtl. wheat @ Rs. 250 per qtl.
40 Tins Oil @ Rs. 150 per tin
- Mar.28 Sold to M/s Chaman and Company
120 Bags of wheat @ Rs.90 per bag.
30 Tins oil @ Rs. 200 per tin
60 Bags of rice @ Rs. 150 per bag
Less: Trade Discount = 15%.

Q14.. Enter the following transactions in the Sales book of M/s Salim & Co. Hyderabad 2012

May 4	Sold to Gupta Bros. New Delhi (Invoice No. 175) 10 dozen Pencils @ Rs. 20 per dozen 14 gross Rubbers Rs. 5 per dozen
May 14	Sold to M/s Fazal Mirza & Co. Mumbai (Invoice No.200) 5 Dozen Gum Bottle @ Rs. 5 per bottle 70 dozens Rulers @ Rs. 15 per dozen Less : 10% Trade Discount
May 17	Sold old Newspapers for Rs. 200 (Invoice No. 215)
May 21	Sold to M/s Rajendra & Co. Ghaziabad (Invoice No. 255) 10 reams of Papers @ Rs. 60 per ream Less : Trade Discount @ 10%
May 25	Sold to M/s Dhyanchand & Co. Delhi for cash (Invoice No. 285) 10 dozen pens @ Rs. 120 per dozen for cash
May 30	Sold to Cheap Stores, New Delhi (Invoice No. 299) 10 dozens Pencils @ Rs. 18 per dozen Less: Trade Discount @ 10%.
May 31	Sold old furniture to M/s Kashyapel Co. on credit for Rs. 1700 (Invoice No.300)

Q15. Prepare purchase return book from the following transactions:
2011

- March 4 Returned to Roy & Co. Kolkata : (Debit Note No.225)
2 Collapsible Chairs @ Rs. 200 each.
- March 8 Returned to Mohan Furniture Ludhiana (Debit Note No. 245)
4 Chairs @ Rs. 150 each
Less : 10% Trade Discount
- March 15 Returned to Rao Ltd. Mumbai (Debit Note No.315)
1 Steel Almirah of Rs. 4000.

Q16. Prepare purchase return book of Madhav Rao Furniture House
2011

- Feb.1 Returned to Chanakya Co. (Debit Note No. 123)
5 Chairs @ Rs. 80 per chair
10 stools @ RS. 150 per stool
- Feb.10 Returned to Goyanka Furniture Stores (Debit Note No. 178)
5 Elmira @ Rs. 100 per Elmira
8 Tables @ Rs. 70 per table
- Feb.28 Returned to Ashok & Co. : (Debit Note No.199)
7 Stools @ Rs. 120 per stool
5 tables @ Rs. 100 per table

Q17. From the following information prepare Return Inward Book
2004

- March 11 M/s Neelkamal & Co. returned 600 units which were sold @ Rs. 150 per unit (Credit Note No. 26)
- March 20 M/s Rohan & Co. returned 200 units which were sold @ Rs. 100 per unit (Credit Note No. 152).

QUESTIONS ON BILLS OF EXCHANGE

Q18. State any four essential features of bill of exchange.

Q19. What is meant by maturity of a bill of exchange?

Q20. What is meant by acceptance of a bill of exchange?

Q21. What is Noting of a bill of exchange.

Q22. What is meant by renewal of a bill of exchange?

Q23. What is retirement of a bill of exchange?

Q24. What is meant by insolvency?

Q25. Give the meaning of rebate.

Q26. Distinguish between bill of exchange and promissory note.

Q27. Briefly explain the purpose and benefits of retiring a bill of exchange to the debtor and the creditor.

Q29. A sold goods to B on May 1st, 2011 for ` 30,000 on credit and drew upon him a bill for the same amount payable after 2 months. B accepted the bill and returned it to A. On date of maturity, B fails to make payment of bill. Noting charges amounted to ` 100.

Pan Journal Entries in the books of A and B if:-

A retains the bill till the date of maturity and also paid the noting

Case 1 : charges.

Case 2 : A discounts the bill from his bank on 4th June @ 12% per annum. Noting charges has been paid by bank.

Case 3 : A endorses the bill in favour of C on June 1. C paid the noting charges.

Case 4 : A sends the bill to his bank for collection on July 1. Bank paid the noting charges.

Q30. On 1st April, 2011 Anil accepts a bill drawn by Sunil for 2 months for Rs. 15000, in payment of a debt. On the date of maturity bill was dishonoured and Sunil had to pay Rs. 150 as noting charges. On 4th June 2011, Anil requested to Sunil to draw a new bill for the amount due. Sunil agreed to draw a new bill for 73 days but he charged interest @ 15% per annum in cash. This bill is duly met on its maturity.

Pass Journal entries in the books of both the parties.

Q31. P sold goods to Q for Rs.10,000 on January 1, 2011 and on the same day draws a bill on Q for the same amount for 3 months. Q accept it and returns it to P, who discounts it on 10th January, 2011 with his bank for Rs.9850. The acceptance is dishonoured on the due date and the noting charges were paid by bank being Rs.50. On 4th April, Q paid Rs.2,050 (including noting charges) in cash and accepted a new bill at 3 months for the amount due to P together with interest @ 12% per annum. Make Journal Entries in the books of P and Q to record these transactions.

Q32. Mukesh sold goods to Jitender on July 1, 2011 for ` 30,000 and drew a bill for the same amount for 3 months. Jitender accepted the bill and returned it to Mukesh. Jitender retired his acceptance on 4th August, 2011 under rebate of 8% per annum Give Journal entries in the books of Mukesh and Jitender.

QUESTIONS ON FINANCIAL STATEMENTS

Q33. What are financial statements?

Q34. Differentiate Capital Expenditure and Revenue Expenditure

Q35. Differentiate Capital Receipts and Revenue Receipts.

Q36. Following is the Trial Balance of Rama & Co. for the year ending 31st December 2010. Prepare Trading and Profit and Loss Account and Balance Sheet :

Name of Account	Dr. Balance	Cr. Balance
Drawing and Capital	4,000	23,000
Furniture	8,000	-
Apprentice Premium	-	1,000
Machinery	20,000	-
Bad debts	350	-
Provision for bad debts	-	500
Sundry debtors and Creditors	8,200	5,000
Stock on January 1, 2010	7,400	-
Purchases and sales	75,000	1,05,000
Bank overdraft	-	2,600
Sales return and purchase returns	500	400
Advertisement	2,400	-
Interest	200	-
Commission	-	400
Cash in hand	1,650	-
Taxes and Insurance	3,200	-
Carriage and Freight	1,500	-
Salaries	5,500	-

Adjustments :

The following adjustments are to be made :

- (i) Stock in hand on 31st December 2010 was value Rs. 8,250/-
- (ii) Salary is paid at Rs. 500 for month.
- (iii) Tax outstanding Rs. 300 and insurance is prepaid Rs 400.
- (iv) Write off furniture bad debts Rs. 200 and create provision for bad debts on debtors at 5%.
- (v) Apprentice Premium Rs. 300 is related to 2011.
- (vi) Commission Accrued Rs. 100.

Q37. Prepare Final Accounts of Mr. Sharad for the year 31-3-09. Trial Balance 31-3-09

Particulars	Amount	Particulars	Amount
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Stock	20,000	Capital	1,60,000
Purchases	2,92,000	Sales	5,90,000
Duty and clearing charges	34,000	Rent	19,000
Rent	10,000	Creditors	1,35,000
Return inwards	16,000		
Discount	15,000		
Drawings	58,100		
Goodwill	16,000		
Furniture and Fittings	58,000		
Repairs	2,900		
Bank	24,000		
General expenses	18,000		
Salaries	1,10,000		
Debtors	2,30,000		
	9,04,000		9,04,000

Adjustments :

1. General expenses include Rs. 5,000 chargeable to furniture purchased on 1st October 1998.
2. Create a reserve of 5% on Debtors for Bad and Doubtful debts after treating Rs. 30,000 as a Bad Debt.
3. Balance at Bank as ascertained from the pass book is Rs. 22,500, the difference representing bank charges.
4. Rent for 2 months is outstanding.
5. Depreciate furniture and fittings @ 10% p.a.
6. Closing Stock was Rs. 40,000. There was a loss by fire on 20th March to the extent of Rs. 8,000. Insurance Company admitted the claim in full.
7. Goods costing RS. 2,500 were used by the proprietor.
8. Goods costing Rs. 1,500 were distributed as free samples.

Q38. From the following Trial Balance of Mr.Sarthak for the year ended 31st March 2011.. Prepare Final Accounts.

Particulars	Amount	Amount
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Capital	-	2,73,000
Furniture and fittings	48,100	-
Cash at Bank	73,230	-
Land and Building	4,94,000	-
Stock	10,530	-
Debtors and Creditors	84,890	26,780
Purchase and Sales	3,55,790	6,77,120
Carriage outwards	4,030	-
Salaries	54,210	-
General expenses	31,200	-
10% Loan "(1-4-2010)	-	2,60,000
Returns	1,690	1,430
Rent	1,820	-
Wages	71,170	-
Interest	13,000	-
Bills Payable	-	8,970
Electricity Charges (Factory)	3,640	-
	12,47,300	12,47,300

Additional Information :

1. Goods costing Rs. 5,200 were taken by Sarthak for the personal use.
2. Salaries include Rs. 2,210 paid for the year ending 31-12-2012.
3. The debtors include Rohan who owned us Rs. 1,690 and has become insolvent and nothing is recoverable from his estate.
4. General expenses include Rs. 2,600 paid for wages.
5. Create a provision for doubtful debts @ 5% p.a.
6. Depreciate land and building @ 10% p.a. and furniture and fittings @ 20% p.a.
7. Closing stock was valued at Rs.20,280.

QUESTIONS ON ACCOUNTING FOR NOT FOR PROFIT ORGANISATIONS

Q39. Subscription received during 2007-08 50,000
Subscription outstanding on 31-3-08 8,000
Subscription outstanding on 1-04-07 6,000
Calculate the amount of subscription to be credited to Income & Expenditure a/c for the yr. 2007-08.

Q40. Mumbai Club received subscription during the yr. 2005-06 1,50,000
Subscription received on 31-3-05 4,500
Subscription received on 31-3-06 5,100
Subscription outstanding on 31-3-06 for 2005-06 3,800
Subscription outstanding 2004-05 (of which Rs.4,000 received

in 2005-06) 6,000
 Calculate the subscription to be taken to Income & Exp. a/c for 2005-06.

Q41. Ascertain the amount of salary chargeable to Income & Expenditure A/c for 2006-07

	Rs.
Total salaries paid in 2006-07	10,200
Prepaid salaries on 31-3-2006	1,200
Prepaid salaries on 31-3-2007	600
Outstanding salaries on 31-3-2006	900
Outstanding salaries on 31-3-2007	750

Q42. Prepare Income & Expenditure A/c & Balance Sheet of Leo Club Mumbai for the yr. ended 31st Dec. 2007 from the following:

**Receipts & Payments A/c
 (Year ended 31-3-2007)**

Receipts	Rs.	Payments	Rs.
Cash in hand b/d	4500	Salaries (11 months)	1100
Subscriptions: 2006 – 100 2007- 2400 2008 - 200	2700	Tournament exp.	1600
		Investments	1000
		Furniture	400
Sale of old furniture (Costing Rs.200)	140	Stationery	1200
Tournament Receipts	2000	Sports expenses	15000
Sports Fund	10000	Misc. expenses	200
Donations for Sports	3000	Rent paid up-to Feb. 2009	1400
		Cash in hand	440
	22340		22340

The club has 300 members each paying an annual subscription of Rs.10. Rs.70 are still outstanding for the yr.2006. In 2006, 10 members had paid their subscription for 2007 in advance. Stock of stationery in 2006 was Rs.100 & in 2007 Rs.140.

On 1-1-2007, club owned Land & Building valued at Rs.20,000 & furniture of Rs.1300. Interest accrued on investment @6% p.a. for 3 months.

QUESTIONS ON DEPRECIATION

Q43. Rohan Ltd. purchased a Machinery on 1st May, 2009 for Rs. 60,000. On 1st July, 2010 it purchased another Machine for Rs. 20,000. On 31st March, 2011 it sold off the first machine purchased in 2009 for Rs. 39,000. Depreciation is provided at 20% on the original cost each year. Accounts are closed each year on 31st December. Show the Machinery account from 2009 to 2011.

Q44. Suyashi Ltd. purchased on 1st January, 2009 a machinery for Rs. 36,000 and spent Rs. 4,000 on its installation. On 1st July, 2009 another machine purchased for Rs. 20,000. On 1st July, 2011, machine bought on 1st January, 2009 was sold for Rs. 12,000 and a new machine purchased for Rs. 64,000 on the same date. Depreciation is provided on 31st December @ 10% p.a. on the written down value method. Prepare machinery A/c from 2009 to 2011.

Q45. Shyam Ltd. purchased machinery on 1st May, 2009 for Rs. 60,000. On 1st July, 2010 it purchased another machine for Rs. 20,000. On 31st March, 2011, it sold the first machine purchased in 2009 for Rs. 38,500. Depreciation provided @ 20% p.a. on the original cost every year. Accounts are closed 31st December every year. Prepare machinery A/c for three years.

QUESTIONS ON BANK RECONCILIATION STATEMENT

Q46. Prepare BRS as on 31st July 2011

- (1) Balance as per Cash Book (Debit) is Rs. 25,000 as on 31st July 2011.
- (2) Cheques for Rs. 15,000 were deposited into the Bank in the month of July but only cheques for Rs. 11,000 were credited by the bank till 31st July 2011.
- (3) Cheques issued for Rs. 13,000 in July, out of which a cheque for Rs. 3,800 was presented for payment on 3rd August.
- (4) Bank charged Rs. 50 as Bank charges and credited interest of Rs. 370.
- (5) A customer directly deposited Rs. 1,550 in firm's bank A/c.
- (6) Bank paid the Insurance Premium of Rs. 1,200 as per standing instructions on 25.07.2011.

Q47. Prepare Bank Reconciliation Statement for the month of June 2011.

1. Overdraft as per Cash Book is Rs. 10,500 on 30th June 2011.
2. Cheques deposited but not yet collected Rs. 2,000.
3. Cheques issued but not yet presented for payment of Rs. 2,800.
4. Bank charges of Rs. 50 and Interest on overdraft of Rs. 250 are charged by the bank.
5. A customer directly deposited Rs. 1,200 into the Bank.
6. Insurance Premium of Rs. 1,500 is paid by the bank as per standing instructions.

Q48. The passbook of Mr. Mohit current account showed a credit Balance of Rs. 20,000 on December 31, 2005. Prepare a Bank Reconciliation Statement with the following information.

- (i) A cheque of Rs. 400 drawn on his saving account has been shown on current account.

(ii) He issued two cheques of Rs. 300 and Rs. 500 on of December 25, but only the first cheque was presented for payment.

(iii) One cheque issued by Mr. Mohit of Rs. 500 on December 25, but it was not presented for payment whereas it was recorded twice in the cash book.

Q49. Prepare bank reconciliation statement.

(i) Overdraft shown as per cash book on December 31, 2005 Rs. 10,000.

(ii) Bank charges for the above period also debited in the passbook Rs. 100.

(iii) Interest on overdraft for six months ending December 31, 2005 Rs. 380 debited in the passbook.

(iv) Cheques issued but not in cashed prior to December 31, 2005 amounted to Rs. 2,150.

(v) Interest on Investment collected by the bank and credited in the passbook Rs. 600.

(vi) Cheques paid into bank but not cleared before December, 31 2005 were Rs.1,100.

Q50. Prepare a BRS as per the following information.

The cash book shows a bank balance of Rs. 7,800. On comparing the cash book with

Pass book the following discrepancies were noted:

(a) Cheque deposited in bank but not credited Rs. 3,000

(b) Cheque issued but not yet present for payment Rs. 1,500

(c) Insurance premium paid by the bank Rs. 2,000

(d) Bank interest credit by the bank Rs. 400

(e) Bank charges Rs. 100

(d) Directly deposited by a customer Rs. 4,000
