

Guru Gobind Singh Public School

Sector V/B,B.S.City

Class : XI

Accountancy (Assignment)

1. What is Accounting and explain its features?
2. Explain objectives of Accounting?
3. Differentiate between bookkeeping and accounting.
4. Differentiate between accounting and accountancy.
5. Explain function of accounting.
6. Explain different branches of accounting.
7. Explain what are the parties interested in accounting information?
8. State the advantage of accounting.
9. State the limitation of accounting.
10. Explain the qualitative characteristics (attributes) of accounting information.
11. Explain double entry system and how it is differ from single entry system?
12. Explain: Transaction,Event, entity, Account, bad debts, insolvent, solvent
13. Explain: capital, Assets, Liability, Drawing, discount, rebate, GST.
14. Explain:expense, expenditure, income, profit, gain, loss, purchase, sale, revenue.
15. Explain stock, inventory, goods, trade receivables, trade payable, debtors, creditors.
16. Explain prepaid expense, outstanding expense, accrued income, unearned income.
17. Differentiate between trade discount and cash discount?
18. Differentiate between revenue expenditure and capital expenditure?
19. Differentiate between revenue receipt and capital receipt?
20. Differentiate between cash basis accounting and accrual basis accounting?
21. Explain fundamental accounting assumption as per AS-1.
22. Explain the follow:
 - a) revenue recognition in concept
 - b) matching concept
 - c) Cost concept
23. Explain the following:
 - a) convention of full disclosure
 - b) convention of materiality
 - C) Convention of conservatism
24. What is accounting standard and state its objective?
25. What is IFRA? State it objective.
26. From the following particulars, ascertain the balance that would appear in the bank pass book of Vijay as on 31st March, 2011:
 - (i) The bank overdraft as per cash book on 31st March, 2011 is Rs. 3,170.
 - (ii) Bank charges of Rs. 15 for the above period are debited in the pass book.
 - (iii) Interest on overdraft for 6 months ending 31st March, 2011 Rs. 80 is entered in the pass book.
 - (iv) Interest on investment collected by bank and credited in pass book Rs. 600.
 - (v) Cheque paid into bank but not cleared before 31st March, 2011, was for Rs. 1,035.
 - (vi) Cheque issued but not cashed prior to 31st March, 2011, amounted to Rs. 584.

27. Give any one difference between Reserve and Provision
28. A Maruti van was purchased on 1.1.2008 for Rs. 60,000 and Rs. 5,000 was spent on its repairs and registration. On 1.7.2009 another van was purchased for Rs. 70,000. On 1.1.2010 first van purchased on 1.1.2008 was sold for Rs. 45,000 and a new van costing Rs. 1,70,000 was purchased on the same date. Show Maruti van account from 2008-2010 on the basis of straight line method, if the rate of depreciation charged is 10% p.a. Assume that Books are closed on 31st December every year.
29. Prepare a furniture account from the following transactions and find out the closing balance.

Date

2011

April 1 Furniture purchased from Ram Rs. 15,000

April 10 Furniture purchased for Rs. 3,000 and amount paid by cheque

April 15 Depreciation charged on furniture Rs. 1,800

April 20 Furniture sold for Rs. 2,000

30. From the following particulars, prepare a bank reconciliation statement showing the balance as per bank pass as on 31st March, 2011:

	Rs.
Balance as per cash book (Dr.)	60,000
Cheques issued but not presented for payment	7,500
Cheques deposited but not realized	11,000
Bank charges not adjusted in the cash book	75
Bank interest not adjusted in the cash book	550

A cheque for Rs. 500 received from a customer on 28th March, 2011 was entered in the bank column of the cash book but it was deposited in the bank on 5th April, 2011.

31. What is suspense account? Mention any one utility of suspense account
32. What do you understand by reserves? Give any one objective of creating reserves.
33. A company whose accounting year is a financial year (April-March) purchased on 1st July, 2008, machinery costing Rs. 45,000. It purchased further machinery on 1st Jan., 2009 costing Rs. 30,000 and on 1st Oct., 2009 costing Rs. 15,000. On 1st April, 2010, one-third of the machinery installed on 1st July, 2008 became obsolete and was sold for Rs. 4,500. Machinery was depreciated by fixed instalment method at 10% p.a. Prepare Machinery Account from 2008 to 31st March, 2011.
34. Enter the following transactions in three column cash book and balance it:
- 1-4-2011 : Cash in hand Rs. 800 and bank overdraft Rs. 500.
- 5-4-2011 : Paid into bank Rs. 500.
- 12-4-2011 : Discounted a bill for Rs. 2,500 at 1% through bank.
- 15-4-2011 : Withdrew from bank from private expense Rs. 50.
- 26-4-2011: Received payment of loan Rs. 1,500 and deposited out of it Rs. 1,000 in the bank.
- 28-4-2011 : Ajay, who owed Rs. 100 become insolvent and paid 50% amount.
35. Prepare proprietor's capital account from the following transactions :

2010		Rs.
April 1	Commenced business with cash	50,000
Aug. 30	Additional capital introduced	20,000

2011

31 st March	Net profit earned during the year	30,000
31 st March	Borrowings during the year	15,000
31 st March	Allow interest on capital @ 10% p.a.	
31 st March	Charge interest on drawings	750

36. From the following particulars, ascertain the balance by means of the statement that would appear in the pass book of Mr. Atul as on 31st December, 2010 :
- (i) Overdraft as per cash book on 31st December, 2010 Rs. 7,190.
 - (ii) Interest on overdraft for six months ending 31st December, 2010 Rs. 160.
 - (iii) Bank charges for the above period Rs. 70.
 - (iv) Cheques drawn but not cashed by the customers prior to 31st December, 2010 , Rs. 1,270.
 - (v) Cheques paid into bank but not cleared before 31st December, 2010 Rs. 2,210.
 - (vi) A bill receivable (discounted with bank in November) dishonoured on 31st December, 2010 Rs. 600.
37. (a) Distinguish between straight line method and diminishing balance method.
(b) On 1st January, 2008 a company purchased a machinery for Rs. 10,000. It spent Rs. 2,000 on its erection. On 1st July, 2008 it purchased another machinery for Rs. 4,000. On 1st January, 2010 the machinery purchased on 1st January, 2008, was sold for Rs. 4,600. The company writes off depreciation at 10% p.a. on the diminishing balance method. Prepare machinery account for three years ending 31st Dec., 2010.
38. Enter the following transactions in double column cash book of M/s Radhika Textiles Ltd., for the month of October, 2000 :
- | | |
|------------|---|
| 1-10-2000 | Balance of cash in hand Rs. 4,4000 and at Bank Rs. 44,600. |
| 5-10-2000 | Paid Ram by cheque Rs. 950 in full settlement of his account Rs. 1,000. |
| 10-10-2000 | Withdrew cash from bank for office furniture Rs. 700. |
| 15-10-2000 | Paid into Bank Rs. 500. |
| 19-10-2000 | Purchased goods for cash Rs. 800 and cheque Rs. 1,300. |
| 22-10-2000 | Paid Anil by cheque Rs. 4,750 in full settlement of his account of Rs. 5,000. |
| 29-10-2000 | Received a cheque from Sachin Rs. 1,320 in full settlement of his account of Rs. 1,340 and banked the same. |
39. M/s Kapoor and Co. deals in readymade garments, made the following purchases during the month of December, 2010 :
- | | |
|---------|--|
| Dec. 1 | Purchased on credit from M/s Fashion Point –
100 shirts @ Rs. 120 per shirt.
50 jeans @ Rs. 300 per piece. |
| Dec. 15 | Purchased for cash from M/s Bihari & Co. –
25 T-shirts @ Rs. 300 per piece. |
| Dec. 25 | Purchased on credit from M/s Rani Fashion Point –
5 Typewriters @ Rs. 250 each. |
| Dec. 30 | Purchased from M/s Sara Desai Fashion Corner –
100 T-shirts @ Rs. 80 per piece
50 shirts @ Rs. 60 per piece. |
- Prepare purchase book & post them in Ledger Book.

40. (a) Distinguish between Capital reserve and Revenue reserve.
(b) A company whose accounting year is the calendar year purchased on 1st April, 2008 machinery costing Rs. 30,000. It further purchased machinery on 1st Oct., 2008 became Rs. 20,000 and on 1st July, 2009 costing Rs. 10,000. On 1st Jan, 2010 one-third of the machinery installed on 1st April, 2008 became obsolete and was sold for Rs. 3,000. Show how the machinery account would appear in the books of company if depreciation is charged at 10% p.a. on written down value method.
41. Distinguish between bills of exchange and promissory note
42. What is deprecation and explain its objective.
43. Briefly explain the concept of cost of goods sold.
44. (a) What do you understand by provision? Explain in brief any two importance of provisions.
(b) Shiv & Co. purchased a machinery for Rs. 1,20,000 on 1st September, 2007. Depreciation is provided @ 10% p.a. on the Diminishing Balance Method. On 1st January 2009, one fourth of machinery was found unsuitable and disposed off for Rs. 18,000. On the same date a new machinery at a cost of Rs. 45,000 was purchased. Write up the machinery account from 2007 to 2010. The accounts are closed on 31st March.
45. Classify the following between Capital, Revenue expenditure and Deferred Revenue expenditure.
(i) Rs. 5,000 spent towards installation of a machinery.
(ii) Rs. 500 spent to remove a worn out part and replace it with a new one in a machinery.
(iii) Second hand motor car purchased for Rs. 10,000 and spent Rs. 1,000 for repairs immediately.
(iv) White wash expense incurred Rs. 15,000.