

## Sample Paper

### Elements of Book Keeping and Accountancy

#### Class X (2017-18)

Time: 3 Hours

Maximum Marks: 100

|   |   |
|---|---|
| 1. Capital Expenditure.....                                       | 1 |
| (a) maintains the earning capacity.                               |   |
| (b) helps in running day to day business.                         |   |
| (c) increases the earning capacity of business.                   |   |
| (d) benefits in only one accounting period.                       |   |
| 2. Decline in the value of fixed intangible assets is called..... | 1 |
| (a) Amortisation  |   |
| (b) Depletion   |   |
| (c) Depreciation  |   |
| (d) Obsolescence  |   |
| 3. Amortisation is writing off.....                               | 1 |
| (a) Patents and Copyrights  |   |
| (b) Patents and Machinery   |   |
| (c) Patents and Stock   |   |
| (d) Copyrights and Furniture                                      |   |
| 4. Bank Reconciliation Statement is prepared by the .....         | 1 |
| (a) Creditor  |   |
| (b) Businessman   |   |
| (c) Bank  |   |
| (d) Debtor  |   |
| 5. Debit balance of Cash Book means.....                          | 1 |
| (a) Favourable balance  |   |
| (b) Unfavourable balance  |   |
| (c) Overdraft   |   |
| (d) Negative balance  |   |

6. Drawer in a bill of exchange is a person.....

1

- (a) who draws a bill
- (b) who accepts a bill
- (c) who makes the payment
- (d) who receives the payment

7. Balance Sheet shows.....

1

- (a) Profit or Loss
- (b) Financial Position
- (c) Errors of Accounts
- (d) Total Debtors

8. Trading and Profit & Loss Account is prepared.....

1

- (a) at the end of the calendar year
- (b) at the beginning of the accounting year
- (c) on every Diwali
- (d) at the end of the accounting year

9. Which of the following is correct about Single Entry System:

1

- (a) Simple Method
- (b) Difficult Method
- (c) Expensive Method
- (d) Both difficult and expensive method

10. Single Entry System is a.....

1

- (a) Complete System
- (b) Incomplete System
- (c) Hybrid System
- (d) Difficult System

11. What is meant by a bill of exchange?

2

12. R & Company purchased a machine for Rs. 80,000 and spends Rs. 20,000 for its installation. For the first year, the firm charges depreciation Rs. 10,000 on it. Record the necessary Journal entries.

2

13. What is meant by Bank Reconciliation Statement?

2

14. What does the credit balance of Cash Book imply?

2

Rs.

|              |          |
|--------------|----------|
| Sales        | 1,25,000 |
| Purchases    | 75,000   |
| Wages        | 8,000    |
| Gross Profit | 42,000   |

16. State any two limitations of incomplete records. 2

17. Give any three examples of Revenue Expenditure. 3

18. Explain the 'Fixed Installment Method' of charging depreciation. 3

19. What is meant by Deferred Revenue Expenditure? Give one example. 3

20. Give any two differences between 'Trading Account' and 'Profit &amp; Loss Account'. 3

21. Calculate Closing Capital: Rs.

|                     |          |
|---------------------|----------|
| Opening Capital     | 3,40,000 |
| Profit for the year | 2,40,000 |
| Drawings            | 1,40,000 |

During the year proprietor sold ornaments of his wife for Rs. 40,000 and invested the same in the business. 3

22. Give any three differences between 'Statement of Affairs' and 'Balance Sheet'. 3

23. Dutta &amp; Sons acquired a machine for Rs. 90,000 on October 1, 2014. Rs. 10,000 was spent on its installation. The firm charges depreciation @ 10 % on original cost every year. Calculate the amount of depreciation to be charged every year and prepare Machine Account for the first three years. The firm closes its books on March 31 every year. 4

24. State any four causes of difference of bank balance as shown by Cash Book and Pass Book. 4

25. State any four uses of incomplete records to businessmen. 4

26. Bank balance as per Cash Book is given as Rs. 50,000. State how you will show the following transactions while preparing Bank Reconciliation Statement:

(i) Cheques issued but not encashed

(ii) Bank charges

(iii) Collection of Dividend by the bank

(iv) Cheques deposited but not cleared

(v) Insurance premium paid by bank on behalf of the customer 5

27. State any five items to be shown on debit side of 'Trading Account' and any five items to be shown on debit side of 'Profit &amp; Loss Account'. 5

28. What is the need of 'Bill of Exchange' in business? State three parties involved in 'Bill of Exchange'. 5

29. What is Revenue Expenditure? Give any four points of differences between Capital Expenditure and Revenue Expenditure. 5

30. From the following particulars of Avinash & Company, prepare Bank Reconciliation Statement on March 31, 2017:

|  | Rs.    |   |
|--|--------|---|
| Overdraft as per Pass Book                   | 10,000 |   |
| Interest on Overdraft                        | 375    |   |
| Insurance Premium paid by the bank           | 1,525  |   |
| Cheques issued but not presented for payment | 3,250  |   |
| Cheques deposited but not cleared            | 3,000  | 5 |

31. From the following balances obtained from the books of accounts of Kamal, prepare the 'Trading and Profit & Loss Account' for the year ending March 31, 2017:

| Name of Account        | Amount (Rs.) |
|------------------------|--------------|
| Stock on April 1, 2016 | 8,000        |
| Purchases              | 22,000       |
| Sales                  | 42,000       |
| Carriage               | 2,500        |
| Salaries               | 3,500        |
| Printing & Stationery  | 1,000        |
| Trade Expenses         | 1,200        |
| Rent                   | 1,200        |
| Discount Allowed       | 600          |
| Commission Paid        | 1,100        |
| Sales Expenses         | 600          |
| Repairs                | 600          |

Stock on March 31, 2017 was Rs. 4,500.

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32. Gupta Enterprises purchased a 'Printing Machine' for Rs. 40,000 on July 1, 2014 and spent Rs. 5,000 on its installation. Another 'Printing Machine' for Rs. 35,000 was purchased on January 1, 2016. Depreciation is charged @ 20 % per annum on written down value method. The firm closes its books of accounts on March 31 every year. Prepare 'Printing Machine Account' for 2014-15, 2015-16 and 2016-17.

6

OR

What is meant by Depreciation? State any three causes of Depreciation.

33. Ankit sold goods to Bimal for Rs. 10,000 on January 1, 2017. Ankit drew a bill of exchange upon Bimal for the same amount for three months. Bimal accepted the bill and returned it to Ankit. Bimal met his acceptance on maturity. Record the necessary Journal entries in the books of both the parties.

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OR

Mukesh sold goods to Jitender on July 1, 2017 for Rs. 30,000 and drew a bill for the same amount for 3 months. Jitender accepted the bill and returned it to Mukesh, Jitender met his acceptance on due date.

Prepare Bills Receivable Account and Jitender's Account in the books of Mukesh.

34. From the following balances as on April 1, 2016 and March 31, 2017, prepare Statement of Affairs of M/s Raj as on April 1, 2016 and March 31, 2017:



| Particulars       | April 1, 2016<br>Rs. | March 31, 2017<br>Rs. |
|-------------------|----------------------|-----------------------|
| Cash in hand      | 1,000                | 1,500                 |
| Cash at bank      | 15,000               | 10,000                |
| Stock             | 1,00,000             | 95,000                |
| Debtors           | 42,500               | 70,000                |
| Business Premises | 75,000               | 1,35,000              |
| Furniture         | 9,000                | 7,500                 |
| Creditors         | 66,000               | 87,000                |
| Bills Payable     | 44,000               | 58,000                |

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OR

Anil started a business on 1st April, 2016 with a Capital of Rs. 4,50,000. During the year he withdrew Rs. 80,000 for household expenses and introduced Rs. 14,000 as fresh Capital. His position of Assets and Liabilities as at 31st March, 2017 stood as follows:

| Amount (Rs.)     |          |
|------------------|----------|
| Cash in Hand     | 37,000   |
| Bills Receivable | 50,000   |
| Sundry Debtors   | 8,00,000 |
| Stock            | 40,000   |
| Creditors        | 3,00,000 |
| Bills Payable    | 6,000    |

You are required to prepare statement of profit or loss for the year ended 31st March 2017.