



|    |  |   |
|----|--|---|
| 12 | <p>Sunil is running a confectionery business. His work is to purchase flour, sugar, yeast to make biscuits, buns, cakes etc. He purchased a commercial refrigerator for ₹200,000 and a second- hand baking oven for ₹1,00,000 and immediately spent ₹5,000 for carriage and ₹10,000 on its repairs for increasing the working condition. An old commercial refrigerator is sold for ₹1,10,000 Costing ₹70,000. The produced biscuit sold for ₹40,000, Buns for ₹30,000 and cake's turnover was highest due to festive season ₹90,000. The raw material costing ₹80,000, wages paid to labor ₹30,000, Electricity bill is of ₹10,000. From the above calculate the following:</p> <p>a) Capital Expenditure.    b) Profit.    c) Gain</p> | 3 |
| 13 | <p>Prepare Accounting equation from the following:</p> <p>i) Started Business with Cash ₹1,00,000<br/> ii) Sold goods cost price of ₹60,000 at a profit of ₹20,000 to Ram<br/> iii) Rent paid ₹5,000<br/> iv) Ram paid 50% of his balance in cash</p>  | 4 |
| 14 | <p>Open a T-Shape A/c of a creditor Ankur and post the following transactions on the proper side</p> <p>1) Purchased goods from Ankur ₹20,000<br/> 2) Paid to Ankur ₹12,500<br/> 3) Purchased goods from Ankur ₹8,000<br/> 4) Goods returned to Ankur ₹1,000<br/> 5) Paid to Ankur ₹10,000</p>   | 4 |
| 15 | <p>Malhotra and sons are running a readymade garments business. The accountant adopts Written down value method of depreciation year after year for their machines. Identify and explain the accounting principles/concepts/conventions followed or violated in the following situation.</p>   | 4 |
| 16 | <p>Pass journal entries for the following:-</p> <p>1) Purchased goods costing ₹1,00,000 from Manoj &amp; Co. Paid 60% immediately by cheque to avail 5% discount.<br/> 2) Cash Sales ₹50,000 out of this amount ½ of the amount deposited into Bank.<br/> 3) Paid ₹1500 for insurance premium for proprietor by cheque.<br/> 4) Purchased goods from Richa for ₹60,000 at 10% Trade discount and 5% Cash discount. 60% amount paid by cheque immediately<br/> 5) Received ₹9600 from Manohar in full settlement of his account of ₹10,000<br/> 6) Received commission ₹5000.</p>   | 6 |
| 17 | <p>What do you mean by Accounting. Explain its features and limitations.</p> <p style="text-align: center;">OR</p> <p>What do you understand by Classification of account. Explain the different type of accounts.</p>   | 6 |



OSDAV Public School, Kaithal

July Unit Test(2024-25)

Class:-XI

Subject:-Accountancy.

Set:-B

MM:-40

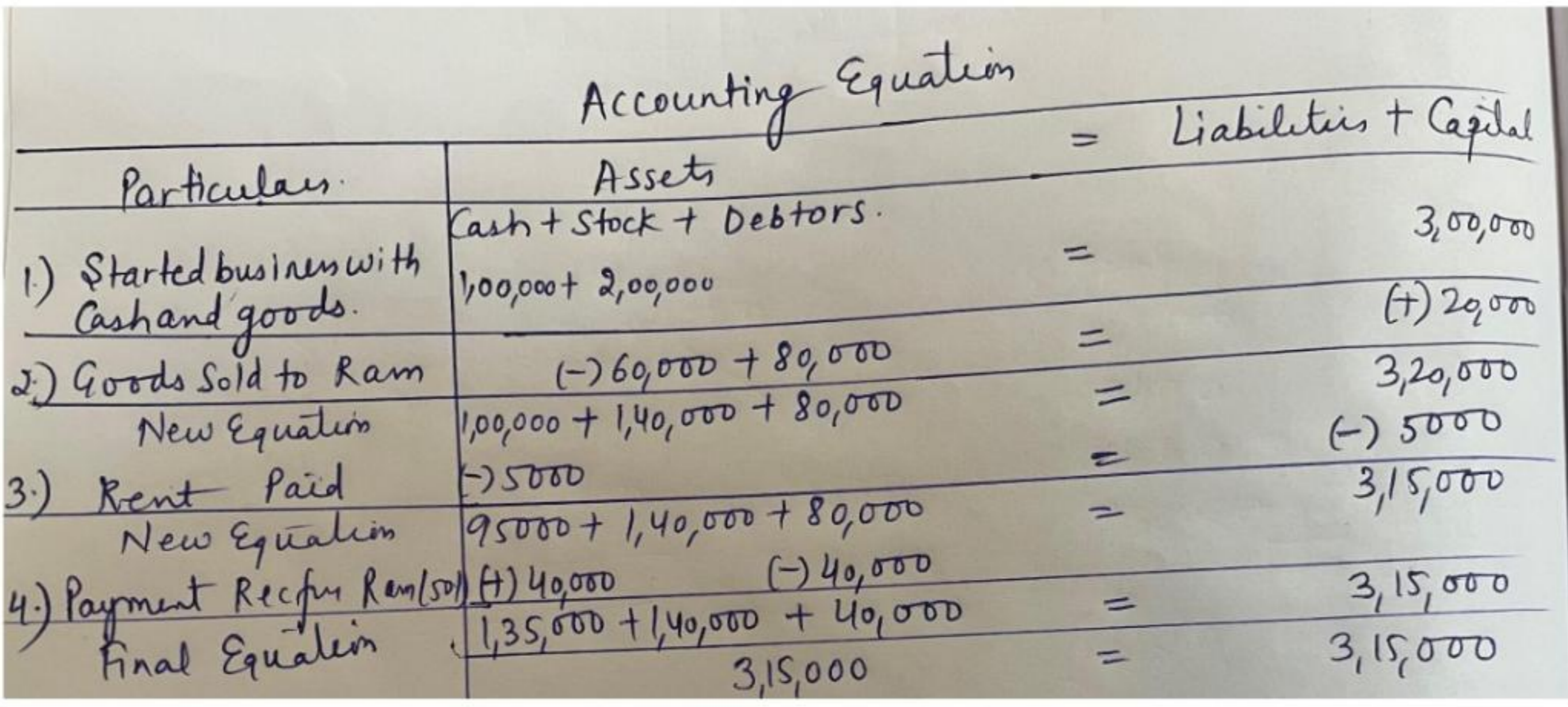
Time:-1.5 hr.

| S.No |   | Marks |
|------|---|-------|
| 1    | Match the following:<br>(1) Judgment about profitability and financial position (A) Summarising<br>(2) Ledger. (B) Analysis & Interpretation<br>(3) Journal (C) Classifying<br>(4) Preparation of financial statement (D) Recording   | 1     |
| 2    | “Cash withdrawn by proprietor for personal use Rs.12,000”<br>Choose correct option for the above transaction:<br>a) Increase of capital and increase of liabilities. b) Decrease of capital and increase of assets<br>c) Increase of capital and decrease of liabilities. d) Decrease of capital and decrease of assets   | 1     |
| 3    | Sold goods costing ₹10,000 to Chanderkant at a profit of 30% on cost and received half the amount in cash. What will be the amount of Cash_____   | 1     |
| 4    | Which of the following is most relevant accounting information for taxation authorities<br>A) Cash balance of the firm. B) Book value of the firm<br>C) Credit sale of the year. D) Profit generated during the year  | 1     |
| 5    | Payment of Income tax will be debited to :<br>A)Income tax Account. B)Drawings A/c. C)Capital A/c. D)Profit and loss A/c  | 1     |
| 6    | The liability arising from the purchase of goods on credit is called<br>(a) Creditors. (b) Accounts Receivable. (c) Loan. (d) Payable expenses  | 1     |
| 7    | Gain refers to :<br>A) Excess of total revenue over expense<br>B) Excess of operational revenue over expense<br>C) Excess of Sale price of Building over purchase price<br>D) Excess of sale price of goods over purchase price   | 1     |
| 8    | Gopal is our debtor for ₹10,000 .He become insolvent and only 60 paise in a ₹ is received from him.The balance of ₹4,000 would be entered to :<br>a) Debit of Discount A/c. b) credit of Discount A/c<br>b) Debit of Bad recovered A/c. d) none of above  | 1     |
| 9    | Suchi, the accountant of the organisation compares the Income statement of 2 years to decide how much investment is to be made outside the business. Identify the qualitative feature of Accounting information from the given statement.   | 1     |
| 10   | Journal Record the transaction of a firm in a<br>a) Periodical manner. b) Chronological order. c) Summarized manner. d) Systematic manner   | 1     |
| 11   | Anjana started the business of buying and selling of readymade garments for ladies and kids. She made the initial investment of ₹25,00,000. She purchased clothes for ₹10,00,000 on cash and ₹5,00,000 on credit from Hanuman. She purchased Computer and Printer for ₹80,000. She sold clothes costing ₹12,00,000 at 20% | 1+2   |

|    |   |   |
|----|---|---|
|    | <p>profit, Half of which was on credit. She returned clothes being defective of ₹50,000. She withdrew cash of ₹10,000 and taken away two pairs of kid cloth for her daughter costing ₹2000 each. She sold the printer as it was damaged due to negligence of the operator for ₹5,000. From the above information, calculate the following:</p> <p>a) Drawings.                      b) Closing Stock.                      c) Revenue from operations</p>   |   |
| 12 | <p>While presenting the information accountant ignores material information such as customer satisfaction, relationship between the employer and employees <b>Identify and explain the limitation highlighted. Mention any two other limitation</b></p>   | 3 |
| 13 | <p>Open a T-Shape A/c of a creditor Rohan and post the following transactions on the proper side</p> <ol style="list-style-type: none"> <li>1) Purchased goods from Rohan ₹20,000</li> <li>2) Paid to Rohan ₹12,500</li> <li>3) Purchased goods from Rohan ₹8,000</li> <li>4) Goods returned to Rohan ₹1,000</li> <li>5) Paid to Rohan ₹10,000</li> </ol>   | 4 |
| 14 | <p>Prepare Accounting equation from the following:</p> <ol style="list-style-type: none"> <li>i) Started Business with Cash ₹1,00,000</li> <li>ii) Sold goods cost price of ₹60,000 at a profit of ₹20,000 to Ram</li> <li>iii) Rent paid ₹5,000</li> <li>iv) Ram paid 50% of his balance in cash</li> </ol>  | 4 |
| 15 | <p>On 10/3/2023, a fire broke out in the premises of Raghav Ltd. And destroyed a part of its plant and machinery. Due to this a sharp decline in production is expected for the next 6 months. The company did not show this fact in the report of the company for the year ended 31/3/2023. Identify and explain the accounting principles/concepts/conventions followed or violated in the following situation.</p>   | 4 |
| 16 | <p>What do you mean by Accounting Cycle. Explain in detail.</p> <p style="text-align: center;">OR</p> <p>What do you understand by Classification of account. Explain the different type of account</p>   | 6 |
| 17 | <p>Pass journal entries for the following:-</p> <ol style="list-style-type: none"> <li>1) Purchased goods costing ₹1,00,000 from Manoj &amp; Co. Paid 60% immediately by cheque to avail 5% discount.</li> <li>2) Cash Sales ₹50,000 out of this amount ½ of the amount deposited into Bank.</li> <li>3) Paid ₹1500 for insurance premium for proprietor by cheque.</li> <li>4) Purchased goods from Richa for ₹60,000 at 10% Trade discount and 5% Cash discount. 60% amount paid by cheque immediately</li> <li>5) Received ₹9600 from Manohar in full settlement of his account of ₹10,000</li> <li>6) Received commission ₹5000.</li> </ol> | 6 |

**OSDAV Pulbic School, Kaithal**  
**Marking Scheme, July UT (2024)**  
**Class: - XI**  
**Subject: - Accountancy.**

**Set: - A**

| Q.No                                      |   | Marks       |                       |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
|---|---|-------------|-----------------------|---|-----------------------|--|-------------------------|--|----------|---|---------------------|---|------------|-----------------------|---------------------|---|----------|--------------|------------------------------|---|----------|---------------|----------|---|----------|--------------|---------------------------|---|--|--------------------------------|-----------------------|---|----------|----------------|------------------------------|---|----------|--|----------|---|----------|-------|
| 1   | C   | 1           |                       |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 2   | D   | 1           |                       |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 3   | Relevance   | 1           |                       |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 4   | D   | 1           |                       |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 5   | B   | 1           |                       |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 6   | A   | 1           |                       |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 7   | 1(b)2(c)3(d)4(a)  | 1           |                       |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 8   | D   | 1           |                       |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 9   | 6500  | 1           |                       |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 10  | B   | 1           |                       |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 11  | Accounting do not record qualitative information<br>Other limitation<br>Window dressing<br>Influenced by personal judgement   | 1+2         |                       |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 12  | a) ₹3,15,000<br>b) ₹40,000<br>c) ₹40,000  | 1+1+1       |                       |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 13  |  <p style="text-align: center;"><i>Accounting Equation</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Particulars</th> <th style="width: 40%;">Assets</th> <th style="width: 10%; text-align: center;">=</th> <th style="width: 20%;">Liabilities + Capital</th> </tr> </thead> <tbody> <tr> <td></td> <td>Cash + Stock + Debtors.</td> <td></td> <td>3,00,000</td> </tr> <tr> <td>1.) Started business with Cash and goods.</td> <td>1,00,000 + 2,00,000</td> <td>=</td> <td>(+) 20,000</td> </tr> <tr> <td>2.) Goods Sold to Ram</td> <td>(-) 60,000 + 80,000</td> <td>=</td> <td>3,20,000</td> </tr> <tr> <td>New Equation</td> <td>1,00,000 + 1,40,000 + 80,000</td> <td>=</td> <td>(-) 5000</td> </tr> <tr> <td>3.) Rent Paid</td> <td>(-) 5000</td> <td>=</td> <td>3,15,000</td> </tr> <tr> <td>New Equation</td> <td>95000 + 1,40,000 + 80,000</td> <td>=</td> <td></td> </tr> <tr> <td>4.) Payment Recd for Rent (50)</td> <td>(+) 40,000 (-) 40,000</td> <td>=</td> <td>3,15,000</td> </tr> <tr> <td>Final Equation</td> <td>1,35,000 + 1,40,000 + 40,000</td> <td>=</td> <td>3,15,000</td> </tr> <tr> <td></td> <td>3,15,000</td> <td>=</td> <td>3,15,000</td> </tr> </tbody> </table> | Particulars | Assets                | = | Liabilities + Capital |  | Cash + Stock + Debtors. |  | 3,00,000 | 1.) Started business with Cash and goods. | 1,00,000 + 2,00,000 | = | (+) 20,000 | 2.) Goods Sold to Ram | (-) 60,000 + 80,000 | = | 3,20,000 | New Equation | 1,00,000 + 1,40,000 + 80,000 | = | (-) 5000 | 3.) Rent Paid | (-) 5000 | = | 3,15,000 | New Equation | 95000 + 1,40,000 + 80,000 | = |  | 4.) Payment Recd for Rent (50) | (+) 40,000 (-) 40,000 | = | 3,15,000 | Final Equation | 1,35,000 + 1,40,000 + 40,000 | = | 3,15,000 |  | 3,15,000 | = | 3,15,000 | 1*4=4 |
| Particulars                               | Assets  | =           | Liabilities + Capital |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
|   | Cash + Stock + Debtors.   |             | 3,00,000              |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 1.) Started business with Cash and goods. | 1,00,000 + 2,00,000   | =           | (+) 20,000            |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 2.) Goods Sold to Ram                     | (-) 60,000 + 80,000   | =           | 3,20,000              |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| New Equation                              | 1,00,000 + 1,40,000 + 80,000  | =           | (-) 5000              |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 3.) Rent Paid                             | (-) 5000  | =           | 3,15,000              |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| New Equation                              | 95000 + 1,40,000 + 80,000   | =           |                       |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| 4.) Payment Recd for Rent (50)            | (+) 40,000 (-) 40,000   | =           | 3,15,000              |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
| Final Equation                            | 1,35,000 + 1,40,000 + 40,000  | =           | 3,15,000              |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |
|   | 3,15,000  | =           | 3,15,000              |   |                       |  |                         |  |          |   |                     |   |            |                       |                     |   |          |              |                              |   |          |               |          |   |          |              |                           |   |  |                                |                       |   |          |                |                              |   |          |  |          |   |          |       |

14

| Dr.                |              | Ankur (Creditor A/c) |        | Cr. |  |
|--------------------|--------------|----------------------|--------|-----|--|
| To Cash            | 12500        | By Purchases         | 20,000 |     |  |
| To Purchase Return | 8000         | By Purchases         | 8000   |     |  |
| To Cash            | 10,000       |                      |        |     |  |
| Total              | 23,500       | Total                | 28000  |     |  |
| Balance            | 4500         |                      |        |     |  |
|                    | <u>28000</u> |                      |        |     |  |

1\*4=4

15

Malhotra and sons are following the Principle of Consistency here that states that once a business chooses one accounting method, this method should be used consistently going forward.

Explain regarding it more.....

1+3

16

| Journal |   |            |                |                         |
|---------|---|------------|----------------|-------------------------|
| S.R     | Particulars   | L.F        | Dr (₹)         | Cr (₹)                  |
| 1.      | Purchase A/c<br>To Bank A/c<br>To Dis Rec A/c<br>To Manojt Co.<br>(Goods purchased from Manojt Co @ 5% C.D) | Dr.        | 1,00,000       | 57000<br>3000<br>40,000 |
| 2.      | Cash A/c<br>Bank A/c<br>To Sales A/c<br>(Being Sales made)  | Dr.<br>Dr. | 25000<br>25000 | 50,000                  |
| 3.      | Drawings A/c<br>To Bank A/c<br>(L.I.P Paid)   | Dr.        | 1500           | 1500                    |
| 4.      | Purchase A/c<br>To Bank A/c<br>To Dis-Rec A/c<br>To Richa<br>(60% Payment made to Richa)                    | Dr.        | 54000          | 30780<br>1620<br>21600  |
| 5.      | Cash A/c<br>Dis Allowed A/c<br>To Manohar   | Dr.<br>Dr. | 9600<br>400    | 10,000                  |
| 6.)     | Cash A/c<br>To Commission A/c   | Dr.        | 5000           | 5000                    |
|         | Total   |            | 2,20,500       | 2,20,500                |

1\*6=6

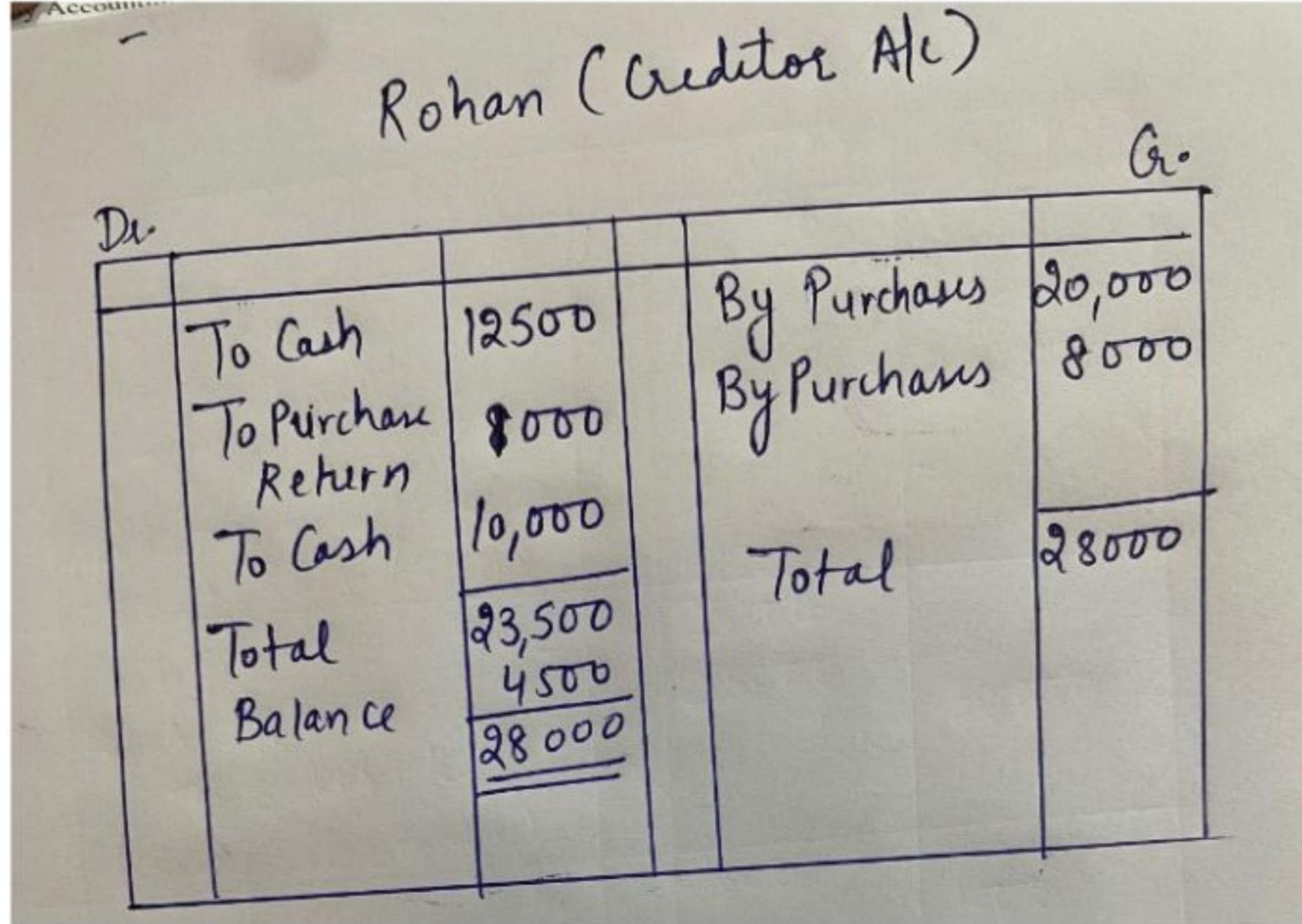
|           |  |       |
|-----------|--|-------|
| 17        | <p>According to American Institute of Certified Public Accountants (AICPA), 'Accounting is the art of recording, classifying and summarizing in a significant manner and in terms of money, transactions and events which are, in part at least, of financial character and interpreting the results thereof.</p> <p><u>Features of Accounting</u></p> <ul style="list-style-type: none"> <li>● Record-keeping: ...</li> <li>● Financial Reporting: ...</li> <li>● Analysis and Interpretation: ...</li> <li>● Budgeting and Forecasting: ...</li> <li>● Compliance with Laws and Regulations: ...</li> <li>● Decision Making</li> <li>● Along with it explain the limitations of Accounting.....</li> </ul>   | 2+2+2 |
| <b>OR</b> |  |       |
|           | <p><b>1. Personal accounts:</b>The accounts related to real persons and organizations are classified as personal accounts. Examples of personal accounts include John's account, Peter's account, Procter and Gamble's account, Vibrant Marketing Agency's account and City bank's account etc. The business keeps a separate account for each individual and organization for the purpose of ascertaining the balance due from or due to them.</p> <p><b>2. Real accounts:</b>Real accounts are accounts related to assets or properties (both tangible and intangible) owned by a business enterprise. A separate account for each asset is maintained to account for increases and decreases in that asset. Examples of real accounts include cash account, inventory account, investment account, plant account, building account, goodwill account, patent account, copyright account etc.</p> <p><b>3. Nominal accounts:</b>The accounts related to incomes, gains, expenses and losses are classified as nominal accounts. These accounts normally serve the purpose of accumulating data needed for preparing <b>income statement</b> or profit and loss account of the business for a particular period. Examples of nominal accounts include sales account, purchases account, wages account, salaries account, interest account, rent account, gain on sale of fixed assets account and loss on sale of fixed assets account etc.</p> | 2+2+2 |

**OSDAV Pulbic School, Kaithal**  
**Marking Scheme, July UT (2024)**

**Class:-XI**

**Subject:-Accountancy.**

**Set:-B**

| Q.No |   | Marks |
|------|---|-------|
| 1    | 1(b),2(c),3(d),4(a)   | 1     |
| 2    | d   | 1     |
| 3    | 6500  | 1     |
| 4    | d   | 1     |
| 5    | b   | 1     |
| 6    | a   | 1     |
| 7    | c   | 1     |
| 8    | d   | 1     |
| 9    | relevance   | 1     |
| 10   | b   | 1     |
| 11   | a)14,000<br>b)2,50,000<br>c)14,40,000   | 1+1+1 |
| 12   | Accounting do not record qualitative information<br>Other limitation<br>Window dressing<br>Influenced by personal judgement | 1+2   |
| 13   |   | 1*4=4 |



| <b>14</b>                                | <p><i>Accounting Equation</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: center;">Assets</th> <th style="text-align: center;">=</th> <th style="text-align: center;">Liabilities + Capital</th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: center;">Cash + Stock + Debtors</td> <td style="text-align: center;">=</td> <td style="text-align: right;">3,00,000</td> </tr> <tr> <td>1) Started business with Cash and goods.</td> <td style="text-align: center;">1,00,000 + 2,00,000</td> <td style="text-align: center;">=</td> <td style="text-align: right;">(+2,00,000)</td> </tr> <tr> <td>2) Goods Sold to Ram</td> <td style="text-align: center;">(-) 60,000 + 80,000</td> <td style="text-align: center;">=</td> <td style="text-align: right;">3,20,000</td> </tr> <tr> <td style="text-align: center;">New Equation</td> <td style="text-align: center;">1,00,000 + 1,40,000 + 80,000</td> <td style="text-align: center;">=</td> <td style="text-align: right;">(-) 50,000</td> </tr> <tr> <td>3) Rent Paid</td> <td style="text-align: center;">(-) 50,000</td> <td style="text-align: center;">=</td> <td style="text-align: right;">3,15,000</td> </tr> <tr> <td style="text-align: center;">New Equation</td> <td style="text-align: center;">95,000 + 1,40,000 + 80,000</td> <td style="text-align: center;">=</td> <td style="text-align: right;">(+40,000) (-) 40,000</td> </tr> <tr> <td>4) Payment Recd from Ram</td> <td style="text-align: center;">(+40,000) (-) 40,000</td> <td style="text-align: center;">=</td> <td style="text-align: right;">3,15,000</td> </tr> <tr> <td style="text-align: center;">Final Equation</td> <td style="text-align: center;">1,35,000 + 1,40,000 + 40,000</td> <td style="text-align: center;">=</td> <td style="text-align: right;">3,15,000</td> </tr> <tr> <td></td> <td style="text-align: center;">3,15,000</td> <td style="text-align: center;">=</td> <td style="text-align: right;">3,15,000</td> </tr> </tbody> </table> | Particulars | Assets                | = | Liabilities + Capital |  | Cash + Stock + Debtors | = | 3,00,000 | 1) Started business with Cash and goods. | 1,00,000 + 2,00,000 | = | (+2,00,000) | 2) Goods Sold to Ram | (-) 60,000 + 80,000 | = | 3,20,000 | New Equation | 1,00,000 + 1,40,000 + 80,000 | = | (-) 50,000 | 3) Rent Paid | (-) 50,000 | = | 3,15,000 | New Equation | 95,000 + 1,40,000 + 80,000 | = | (+40,000) (-) 40,000 | 4) Payment Recd from Ram | (+40,000) (-) 40,000 | = | 3,15,000 | Final Equation | 1,35,000 + 1,40,000 + 40,000 | = | 3,15,000 |  | 3,15,000 | = | 3,15,000 | <b>1*4=4</b> |
|--|---|-------------|-----------------------|---|-----------------------|--|------------------------|---|----------|--|---------------------|---|-------------|----------------------|---------------------|---|----------|--------------|------------------------------|---|------------|--------------|------------|---|----------|--------------|----------------------------|---|----------------------|--------------------------|----------------------|---|----------|----------------|------------------------------|---|----------|--|----------|---|----------|--------------|
| Particulars                              | Assets  | =           | Liabilities + Capital |   |                       |  |                        |   |          |  |                     |   |             |                      |                     |   |          |              |                              |   |            |              |            |   |          |              |                            |   |                      |                          |                      |   |          |                |                              |   |          |  |          |   |          |              |
|  | Cash + Stock + Debtors  | =           | 3,00,000              |   |                       |  |                        |   |          |  |                     |   |             |                      |                     |   |          |              |                              |   |            |              |            |   |          |              |                            |   |                      |                          |                      |   |          |                |                              |   |          |  |          |   |          |              |
| 1) Started business with Cash and goods. | 1,00,000 + 2,00,000   | =           | (+2,00,000)           |   |                       |  |                        |   |          |  |                     |   |             |                      |                     |   |          |              |                              |   |            |              |            |   |          |              |                            |   |                      |                          |                      |   |          |                |                              |   |          |  |          |   |          |              |
| 2) Goods Sold to Ram                     | (-) 60,000 + 80,000   | =           | 3,20,000              |   |                       |  |                        |   |          |  |                     |   |             |                      |                     |   |          |              |                              |   |            |              |            |   |          |              |                            |   |                      |                          |                      |   |          |                |                              |   |          |  |          |   |          |              |
| New Equation                             | 1,00,000 + 1,40,000 + 80,000  | =           | (-) 50,000            |   |                       |  |                        |   |          |  |                     |   |             |                      |                     |   |          |              |                              |   |            |              |            |   |          |              |                            |   |                      |                          |                      |   |          |                |                              |   |          |  |          |   |          |              |
| 3) Rent Paid                             | (-) 50,000  | =           | 3,15,000              |   |                       |  |                        |   |          |  |                     |   |             |                      |                     |   |          |              |                              |   |            |              |            |   |          |              |                            |   |                      |                          |                      |   |          |                |                              |   |          |  |          |   |          |              |
| New Equation                             | 95,000 + 1,40,000 + 80,000  | =           | (+40,000) (-) 40,000  |   |                       |  |                        |   |          |  |                     |   |             |                      |                     |   |          |              |                              |   |            |              |            |   |          |              |                            |   |                      |                          |                      |   |          |                |                              |   |          |  |          |   |          |              |
| 4) Payment Recd from Ram                 | (+40,000) (-) 40,000  | =           | 3,15,000              |   |                       |  |                        |   |          |  |                     |   |             |                      |                     |   |          |              |                              |   |            |              |            |   |          |              |                            |   |                      |                          |                      |   |          |                |                              |   |          |  |          |   |          |              |
| Final Equation                           | 1,35,000 + 1,40,000 + 40,000  | =           | 3,15,000              |   |                       |  |                        |   |          |  |                     |   |             |                      |                     |   |          |              |                              |   |            |              |            |   |          |              |                            |   |                      |                          |                      |   |          |                |                              |   |          |  |          |   |          |              |
|  | 3,15,000  | =           | 3,15,000              |   |                       |  |                        |   |          |  |                     |   |             |                      |                     |   |          |              |                              |   |            |              |            |   |          |              |                            |   |                      |                          |                      |   |          |                |                              |   |          |  |          |   |          |              |

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| <b>15</b> | <b>Convention of full disclosure.....brief explanation</b> | <b>1+3</b> |
|-----------|--|------------|

|           |   |            |
|-----------|---|------------|
| <b>16</b> | <p>Recording, Classifying and Summarising are also termed as '<b>Process of Accounting</b>' or '<b>Accounting Cycle</b>' :—</p> <p style="text-align: center;"><b>Accounting Cycle</b></p> <p>The above diagram shows the accounting cycle. This accounting cycle starts with the recording of business transactions in the Journal or Subsidiary Books and after passing through the Ledger and Trial Balance it results in the preparation of Final Accounts (i.e., Trading and Profit &amp; Loss Account and Balance Sheet). This accounting cycle is generally completed in an accounting year and is again repeated in each subsequent year.</p> | <b>2+4</b> |
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**All the steps should be explained well**

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| <b>Or</b> |  |  |
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| <b>2+2+2</b> | <p><b>1. Personal accounts:</b> The accounts related to real persons and organizations are classified as personal accounts. Examples of personal accounts include John's account, Peter's account, Procter and Gamble's account, Vibrant Marketing Agency's account and City bank's account etc. The business keeps a separate account for each individual and organization for the purpose of ascertaining the balance due from or due to them.</p> <p><b>2. Real accounts:</b> Real accounts are accounts related to assets or properties (both tangible and intangible) owned by a business enterprise. A separate account for each asset is maintained to account for increases and decreases in that asset. Examples of real accounts include cash</p> |  |
|--------------|---|--|

account, inventory account, investment account, plant account, building account, goodwill account, patent account, copyright account etc.

**3. Nominal accounts:** The accounts related to incomes, gains, expenses and losses are classified as nominal accounts. These accounts normally serve the purpose of accumulating data needed for preparing **income statement** or profit and loss account of the business for a particular period. Examples of nominal accounts include sales account, purchases account, wages account, salaries account, interest account, rent account, gain on sale of fixed assets account and loss on sale of fixed assets account etc.

17

Journal

| S.R | Particulars   | Dr       | Cr | Dr (₹)           | Cr (₹)                    |
|-----|---|----------|----|------------------|---------------------------|
| 1.  | Purchase A/c<br>To Bank A/c<br>To Dis Rec A/c<br>To Manojt Co.<br>(Goods purchased from Manojt Co @ 5% C.D) | Dr       |    | 1,00,000         | 57,000<br>3,000<br>40,000 |
| 2.  | Cash A/c<br>Bank A/c<br>To Sales A/c<br>(Being Sales made)  | Dr<br>Dr |    | 25,000<br>25,000 | 50,000                    |
| 3.  | Drawings A/c<br>To Bank A/c<br>(L.I.P Paid)   | Dr       |    | 1,500            | 1,500                     |
| 4.  | Purchase A/c<br>To Bank A/c<br>To Dis Rec A/c<br>To Richa<br>(60% Payment made to Richa)                    | Dr       |    | 54,000           | 30,780<br>1,620<br>21,600 |
| 5.  | Cash A/c<br>Dis Allowed A/c<br>To Manohar   | Dr<br>Dr |    | 9,600<br>400     | 10,000                    |
| 6.) | Cash A/c<br>To Commission A/c   | Dr       |    | 5,000            | 5,000                     |
|     | Total   |          |    | 2,20,500         | 2,20,500                  |

1\*6=6