

SAMPLE PAPER – 1
ELEMENTS OF BOOK KEEPING AND ACCOUNTANCY
CLASS – X (2015-16)
SA-II (TERM –II)

- Q1.** The purpose of preparing final accounts is to ascertain: **1**
- a) Profit or loss
 - b) Capital
 - c) The value of assets
 - d) Profit or loss and financial position
- Q2.** The profit and loss account shows: **1**
- a) Financial position of the concern
 - b) Gross profit
 - c) Net profit
 - d) Net profit and financial position
- Q3.** Balance sheet shows: **1**
- a) Profit or loss
 - b) Financial position
 - c) Errors of accounts
 - d) Total debtors
- Q4.** Final Accounts are prepared: **1**
- a) At the end of calender year
 - b) At the beginning of the accounting year
 - c) On every Diwali
 - d) At the end of accounting year
- Q5.** Trading and Profit and Loss Account is prepared: **1**
- a) For a particular period
 - b) On a particular date
 - c) For the whole year
 - d) For a decade
- Q6.** Balance sheet is prepared: **1**
- a) For a particular period
 - b) On a particular date
 - c) For the whole year
 - d) For a month

- Q7.** Excess of credit in Profit and Loss account is called: **1**
- a) Net profit
 - b) Net loss
 - c) Gross profit
 - d) Gross loss
- Q8.** Wages and Salaries appearing in Trial Balance is shown: **1**
- a) On the debit side of trading A/c
 - b) On the debit side of Profit and Loss Account
 - c) On the Asset Side of the Balance Sheet
 - d) On the liabilities side of Balance Sheet
- Q9.** Land is : **1**
- a) Current Asset
 - b) Fixed asset
 - c) A liability
 - d) Capital
- Q10.** Choose the current assets from the following: **1**
- a) Plant
 - b) Inventories
 - c) Creditors
 - d) Capital
- Q11.** Generally accounts under single entry system are maintained by: **1**
- a) Sole Trader
 - b) Company
 - c) Society
 - d) Government
- Q12.** Single entry system of book keeping is: **1**
- a) accurate
 - b) systematic
 - c) Unscientific
 - d) Rationale
- Q13.** When closing capital is more than the opening capital, it denotes: **1**
- a) Profit
 - b) Loss
 - c) No profit no loss
 - d) Profit, if there is no introduction of fresh capital

- Q14.** When closing capital is less than the opening capital, it denotes: **1**
- a) Profit
 - b) Loss
 - c) Loss, if there is drawing
 - d) Expenses
- Q15.** If the due date of a bill falls on a public holiday then the bill is due on : **1**
- a) One day after the due date
 - b) Public holiday
 - c) One day before the due date
 - d) One month after due date
- Q16.** Bill of Exchange is also: **1**
- a) Order
 - b) Request
 - c) Promise
 - d) Invoice
- Q17.** Drawer in bill of exchange is a person: **1**
- a) Who draws a bill
 - b) Who accepts the bill
 - c) Who makes the payment
 - d) Intelligent person/ none of the above
- Q18.** Endorsing the bill means: **1**
- a) Giving the bill on charity
 - b) Depositing the bill for the government treasury
 - c) Transferring the bill to another person by the holder
 - d) Receiving the bill from creditors
- Q19.** Give three differences between Trading Account and Profit and Loss Account. **3**
- Q20.** Calculate Closing Capital: **3**
- Opening capital Rs. 1,70,000: Profit for the year Rs.1,20,000: Drawings Rs. 70,000. During the year proprietor sold ornaments of his wife For Rs.20,000 and invested the same in business.
- Q21.** What is meant by "Accounting from Incomplete Records"? Mention any two characteristics of it. **3**
- Q22.** Give three differences between Balance Sheet and Statements of Affairs. **3**

Q23. From the Balance Sheet given below, calculate: **3**

- 1) Fixed Assets
- 2) Current Assets
- 3) Current Liabilities

Balance Sheet as at 31st March 2014

Liabilities	Rs.	Assets	Rs.
Trade Creditors	42,000	Stock In Hand	48,000
Expenses Accrued	3,200	Debtors	36,000
Bank Overdraft	4,800	Prepaid Expenses	400
Long Term Loan	20,000	Goodwill	20,000
Interest on Loan	1,000	Land	20,000
Capital	93,400	Plant	32,000
		Furniture	8,000

Q24. Surya maintains books on Single Entry System. He gives you the following information: **3**

Capital on 1st April, 2014 Rs.30,000
Capital on 1st April, 2015 Rs.32,800
Drawings made during the period: April, 2014 to March, 2015 –
Rs10,800.
Capital introduced on 1st August, 2012 Rs.5,000
You are required to calculate the profit or loss made by Mohan.

Q25. Name and explain the three parties to a Bill Of Exchange. **3**

Q26. Explain any three terms: **3**

- a) Dishonour Of a Bill
- b) Noting Charges
- c) Discounting of a bill
- d) Endorsement of a bill

Q27. Give any four objectives of preparing financial statement. **4**

Q28. Calculate net sales and net purchases from the following information: **4**

Sales Rs.1,00,000 , Purchases Rs.50,000
Sales Return Rs.5,000 , Purchase Return Rs. 8,000

Q29. Explain any four advantages of Bills of Exchange. **4**

Q30. Give any four advantages of Single Entry System. **4**

Q31. Give any four disadvantages of Single Entry System. **4**

- Q32.** If 'Adjusted Purchases' and 'Closing Stock' are given in the Trial Balance, will you transfer 'Closing Stock' to the trading account? **4**
- Q33.** Calculate closing Stock and Cost of Goods sold: Opening Stock Rs5,000; sales Rs.16,000; Carriage Inwards Rs.1,000; Sales Returns Rs.1,000; Gross profit Rs.6,000; Purchases Rs.10,000; purchase Returns Rs.900. **6**
- Q34.** From the following Trial Balance, Prepare the Trading Account and Profit& Loss Account for the year ended 31st March, 2011 and the Balance sheet as at date: **6**

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
Debit Balances:		Rent, Rates and Taxes	800
Sundry Debtors	1,500	Salaries	2,000
Stock	5,000	Drawing	2,000
Land & Building	10,000	Purchases	10,000
Cash in Hand	1,600	Office Expenses	2,500
Cash at Bank	4,000	Plant & Machinery	5,700
Wages	3,000		
Bills Receivable	2,000	Credit Balances :	
Interest	200	Capital	25,000
Bad Debts	500	Interest	600
Repairs	300	Sundry Creditors	7,000
Furniture & Fixtures	1,500	Sales	17,000
Depreciation	1,000	Bills Payable	4,000

On 31st March,2011 the stock was valued at Rs.10,000.

- Q35.** Suresh started a firm on 1st April, 2013 with a capital of Rs.20,000. On 1ST July, 2014 he borrowed from his wife a sum of Rs.3,000 for business and introduces a further capital of his own amounted to Rs.3,000. On 31st March, 2014 his position was:
Cash Rs.600: stock Rs.9,400: Debtors Rs.9,000: Creditors Rs.6,000. Ascertain his Profit or Loss taking into account Rs.2,000 for his drawings during the year. **6**
- Q36.** Draw a specimen of a bill of exchange. **6**

Marking Scheme
Elements of Book Keeping and Accountancy
Class-X (2015-2016)
SA II (Term II)

Q1.	d		1
Q2.	c		1
Q3.	b		1
Q4.	d		1
Q5.	a		1
Q6.	b		1
Q7.	a		1
Q8.	a		1
Q9.	b		1
Q10.	b		1
Q11.	a		1
Q12.	b		1
Q13.	d		1
Q14.	c		1
Q15.	c		1
Q16.	a		1
Q17.	a		1
Q18.	c		1
Q19.			3

Basis	Trading Account	Profit and Loss A/C
Relation	It is a part of the project and Loss a/c	Profit and loss is the main account
Nature	Trading Account is prepared to ascertain gross profit or gross	Profit and loss is prepared to ascertain net profit or net loss of the business

	loss	
Transfer of Balance	Balance of Trading Account is transferred to profit and loss account	Balance of profit and loss account is transferred to capital account of the proprietor.

Q20. Closing capital = Opening Capital + Profit + additional capital introduced – Drawings **3**
 $= 1,70,000 + 1,20,000 + 20,000 - 70,000$
 $= 3,10,000 - 70,000 = 2,40,000$

Q21. Accounting records which are not prepared in accordance with the principles of double entry are known as 'incomplete records' following are the two characteristics of 'Accounting from incomplete records' **3**

1. Maintenance of personal accounts only – Under this system, only personal accounts are prepared in the books and the real and nominal accounts are ignored
2. Maintenance of Cash book – A cash book is maintained under the system, which usually mixes up business as well as private transactions of the proprietor

(1+2) = 3

Q22. Following are to three differences between balance sheet and statement of affairs. **3**

Basis	Balance sheet	Statement of affairs
Object	It is prepared for ascertaining to financial position of a business	It is prepared for ascertaining the capital of a business
Value of assets and liabilities	Actual values based on ledger accounts	Values are based on estimates
Arithmetical accuracy	It is accurate	It is not always accurate

Q23. Fixed Assets- Goodwill+Land+Plant+Function **3**
 $= 20,000 + 20,000 + 32,000 + 8,000$
 $= 80,000$

ii) Current Assets= stock in hand+Debtors
 $= 48,000 + 36,400$
 $= 84,000$

iii) Current Liabilities= Trade Creditors+ Bank overdraft
 $= 45,200 + 4800$
 $= 50,000$

Q24. Statement of profit and loss for the year ended 31st March, 2015 **3**

Particulars	Rs.
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Capital as on 1 st April 2015	32,800
Add: Drawings made during the year	10,800
Less: Capital introduced on 1 st August, 2014	43,600
Adjusted capital on 1 st April, 2015	5000
Less Capital on 1 st April 2014	38,600
Profit made during the year	30,000
	8600

Q25. Following are the three parties to a bill of exchange: **3**

- a) Drawer – He is the saler or creditor entitled to receive money from someone. He write or draws the bill and is known as drawer
- b) Drawer or Acceptor – He is the purchaser or the debtor or whom the bill is drawn and who is liable to pay the mount mentioned in the bill. He accepts to pay the amount by writing the word 'Accepted' on the bill and then signs it.
- c) Payee – The person to whom the payment is to be mode is called payee. The drawer himself or a third party may be the payee of the bill

Q26. (1x3) = 3
a) Dishonour of a bill – When the acceptor of the bill refuse to pay the amount of the bill on the date of maturity or becomes insolvent, it is called dishonor of the bill **3**

- b) Noting changes – To establish the fact that the bill was properly presented and dishonored, the bill is usually handed over to person called 'Notary public' The notary public charges a small fee for the services rendered by him, which is called 'Noting changes'
- c) Discounting of bill – Discounting means encashing the bill before the date of its maturity or borrowing from the bank on the security of the bill. Bank deducts a certain amount of discount from the face value of the bill and pays the balance to the person discounting the bill.

Q27. Following are the objectives of preparing financial statement. **4**

- a. To determine the net profit or net loss
- b. ascertaining financial position
- c. Comparison with previous year
- d. Calculating Rations
- e. Maintaining Reserves (or any other objectives)

Q28. Sales Rs.1,00,000 , Purchases Rs.50,000 **4**
Sales Return Rs.5,000 , Purchase Return Rs. 8,000

Net Sales = Sales – Sales Return

= 1,00,000 – 5,000

= 95,000

Net Purchases = Purchases – Purchase Return

= 50,000 – 8,000

= 42,000

- Q29.** a. **Helpful in the purchase and sale of goods on credit** – A bill of exchange serves as a written evidences of debt. It is a proof that the purchaser of goods owes the amount written in it. **4**
- b. **Legal Document** – It is a valid document in the eyes of law. If the drawee fails to make its payment, it would be easier to recover the amount legally in comparison to a verbal promise.
- c. **Relief from sending reminders:** - The seller need not approach the purchase time and again to demand the payment because the date of payment is fixed and written on the bill of exchange
- d. **Endorsement possible** – A bill of exchange can be easily transferred from one person to another in settlement of debts as it is a negotiable instrument

Q30. Following are the four advantage of single entry system **4**

- a. **Single Method** – It is an easy and simple method of recording business transactions because it does not require any special knowledge of the principles of double entry system
- b. **Less expensive** – Maintaining records under single entry system is less expensive as compared to double entry system
- c. **Suitable for small concerns** : This method is most suitable to small business concerns which have mostly cash transactions and very few assets and liabilities
- d. **Easy to calculate project or less:** It is easier to calculate project and less under this method (1x4= 4)

Q31. Following are the four disadvantages of singly entry system **4**

- a. Preparation of Trial balance is not possible
- b. True profit or loss cannot be ascertained
- c. Difficulty in preparing balance sheet
- d. No control on assets

(or any other disadvantages 1x4 = 4)

Q32. No, Closing will not be transferred to Trading Account because it already stands credited to Trading Account as adjusted purchases mean Opening Stock + Purchases – Closing Stock. **4**

The amount in the 'Adjusted Purchases Account' is shown on the debit side of the Trading Account and the amount of closing stock on the assets side of the Balance Sheet.

Q33. **6**

Cost of Goods Sold = Net Sales (Sales-Sales Return) – Gross Profit

= Rs.15, 000 – Rs.6, 000

= Rs.9, 000

TRADING ACCOUNT
For the year ended.....

PARTICULARS	AMOUNT	PARTICULARS	AMONUT
To Opening Stock	5,000	By Sales	
To Purchases		16,000	15,000
10,000	9,100	Less: Sales Return	6,100
Less: Return	1,000	1,000	
900	6,000	By Closing Stock	
To Carriage Inwards		(Bal. Fig)	
To Gross Profit			
	21,000		21,000

Q34.

6

TRADING ACCOUNT
For the year ended 31st March, 2011

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Opening Stock	5,000	By Sales	17,000
To Purchases	10,000	By Closing Stock	10,000
To Wages	3,000		
To Gross Profit			
Transferred to Profit & Loss A/c	9,000		
	27,000		27,000

PROFIT & LOSS ACCOUNT
For the year ended 31st March, 2011

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Interest	200	By Gross Profit transferred	
To Bad Debts	500	from Trading A/c	9,000
To Repairs	300	By Interest	600
To Depreciation	1,000		
To Rent, Rates & Taxes	800		
To Salaries	2,000		
TO Office expenses	2,500		
To Net Profit transferred			
to Capital A/c	2,300		
	9,600		9,600

BALANCE SHEET
As at 31st March, 2011

Liabilities	Amount	Assets	Amount
CURRENT LIABILITIES		CURRENT ASSETS	

Sundry Creditors		Cash in Hand	1,600
Bills Payable	7,00	Cash at Bank	4,000
CAPITAL	0	Bills Receivable	2,000
Opening Balance		Sundry Debtors	1,500
25,000	4,00	Closing Stock	10,000
Less: Drawings	0	FIXED ASSETS	
2,000	0	Furniture & Fixtures	1,500
Add: Net Profit		Plant & Machinery	5,700
2,300		Land & Building	10,000
	25,300		
	36,300		36,300

Q35.

Statement of affairs
as at 31st March 2014

6

Liabilities	Rs.	Assets	Rs.
Creditors	6000	Cash	600
Mrs. Sanjay's Loan	3000	Stock	9400
Capital	10,000	Debtors	9000
	19,000		19,000

Statement of profit and loss
for the year ended 31st March, 2014

Particulars	Rs
Less Capital at the end capital introduced during the year	10,000
	3,000
	7000
Add Drawing	2000
Adjusted capital at the end	9000
Less Capital at the beginning	20000
Not less for the year	11,000

2+4=6

Q36.

SPECIMEN OF A BILL OF EXCHANGE

6

25,00,000

New
1st July, 2014

Delhi

Stamp

Two months after date, to me or my order, the sum of
Rupees five Lac only , for value received

Accepted
(Signed)
Prem Kishore
13,
Lal Bag
Jaipur

Signed
Karuna Sagan
Green Park

New Delhi