

BRAIN INTERNATIONAL SCHOOL

SUBJECT: ACCOUNTANCY

CLASS: XI

JULY'24

CHAPTER 6: ACCOUNTING PROCEDURES RULES OF DEBIT & CREDIT

1. On which side will the Increase in following accounts be recorded using Modern Classification of accounts? (1/2 * 8 = 4)

i) Investments	v) Return Inwards
ii) Bills Payable	vi) Goodwill
iii) Rent Received	vii) Bank Overdraft
iv) Accrued Commission	viii) Outstanding Expenses

2. Open 'T' shape account of our creditor Ram and write the following transactions on the relevant side along with balancing:
- Purchased goods from Ram for Rs.50,000
 - Returned goods to Ram for Rs.5,000
 - Paid to Ram Rs.30,000
3. Give an example for each of the following types of transactions:
- Increase in one asset, decrease in another asset.
 - Decrease in asset, decrease in owner's capital.
 - Increase in one liability, decrease in another liability.
 - Decrease in asset, decrease in liability.
4. Open 'T' shape account of debtor Mohan and write the following transactions on the relevant side along with balancing:
- Sold goods to Mohan for Rs.10,000
 - Returned goods by Mohan for Rs.500
 - Paid by Mohan Rs.3,000
5. On which side will the Increase in following accounts be recorded using Modern Classification of accounts? (1/2 * 8 = 4)

ii) Investments	vi) Return Inwards
iii) Bills Payable	vii) Goodwill
v) Rent Received	ix) Bank Overdraft
vi) Accrued Commission	x) Outstanding Expenses

6. Open 'T' shape account of our creditor Ram and write the following transactions on the relevant side along with balancing:
- Purchased goods from Ram for Rs.50,000
 - Returned goods to Ram for Rs.5,000
 - Paid to Ram Rs.30,000
7. Give an example for each of the following types of transactions:
- Increase in one asset, decrease in another asset.
 - Decrease in asset, decrease in owner's capital.
 - Increase in one liability, decrease in another liability.
 - Decrease in asset, decrease in liability.

8. Open 'T' shape account of debtor Mohan and write the following transactions on the relevant side along with balancing:
 - a. Sold goods to Mohan for Rs.10,000
 - b. Returned goods by Mohan for Rs.500
 - c. Paid by Mohan Rs.3,000

CHAPTER 7: SOURCE DOCUMENTS AND PREPARATION OF VOUCHERS

1. Voucher is prepared for:
 - a) Cash and Credit purchases
 - b) Cash and credit sales
 - c) Cash received and paid
 - d) All of these
2. Is 'Cash Memo' a source document or an accounting voucher?
3. Give the meaning of debit note and credit note.
4. Prepare a specimen of Receipt.
5. Differentiate between cash and non-cash vouchers.

CHAPTER 8: JOURNAL

1. Assertion (A): Journal is prepared from the voucher and ledger is prepared from the journal.
Reason (R): Because voucher is evidence for each business transactions and without journal, ledger cannot be prepared.
 - a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
 - b) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A).
 - c) Assertion (A) is true but Reason (R) is false.
 - d) Assertion (A) is false but Reason (R) is true.
2. Assertion (A): When total of debit side of an account is more than the total of its credit side, the account is said to have credit balance.
Reason (R): As the credit side has less total, balance amount will be brought forward to the credit side.
 - a) Both (A) and (R) correct
 - b) (A) is correct but (R) is not correct
 - c) Both (A) and (R) Incorrect
 - d) (A) is incorrect but (R) is correct
3. Journalise and prepare ledger from the following transactions:
 - a) Rent due to Landlord Rs.40,000
 - b) Received commission Rs.20,000 half of which is in advance
 - c) Purchased goods for cash Rs.10,000 plus IGST @12%
 - d) Paid to Creditor Rs.9,500 and Discount allowed by him Rs.500

- e) Sold goods to Shyam costing Rs.5,000; Trade Discount @10%. He paid half of the money immediately and availed cash discount of 5%. Show your workings clearly.
4. What are compound journal entries? Explain with the help of an example.