** Pakistan School, Kingdom of Bahrain**

**HSSC Pre Board Examination, May-June 2021**

**Class: 11TH Sec\_\_\_\_\_ Total Marks:20**

**Subject: Principles of Accounting -I Time Allowed: 25 MIN**

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| **5** | **0** | **1** | **6** |

**Student’s Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Version No:**

**NOTE: : Section A is compulsory. All parts of this section to be answered on the separately provided OMR Sheet which should be completed in the first 20 minutes and handed over to the Centre Superintendent. Deleting/overwriting is not allowed. Do not use lead pencil.**

**SECTION – A ( Marks:20)**

**Q. 1 Circle the correct option i.e. A I B I C I D. Each part carries one mark**.

1. **All those goods which are lying unsold in a business are termed as \_\_\_\_**

 **A. Revenue B. Expense C Stock D. Sale**

1. **The discount allowed by wholesaler to the retailer at the list price of goods is called \_\_\_\_\_\_\_\_\_\_\_\_\_ .**

 **A. Trade discount B. Discount allowed**

 **C. Cash discount D. Discount received**

1. **According to accounting equation, Equity is equal to\_\_\_\_\_\_\_\_\_\_\_\_ .**

 **A. Assets + Liabilities B. Assets + Expenses**

 **C. Assets - Liabilities D. Assets - Expenses**

**(iv) Goods returned from Akbar, should be credit to \_\_\_\_\_\_\_\_\_\_\_ .**

 **A. Sales return account B. Akbar Account**

 **C. Purchases return account D. Purchases account**

**(v) Suspense Account is a \_\_\_\_\_\_\_\_\_\_\_\_ .**

 **A. Real Account B. Nominal Account**

 **C. Personal Account D. Both B and C**

**(vi) Transactions of Assets are recorded in \_\_\_\_\_\_\_\_\_\_\_\_ .**

 **A. Personal Account B. Nominal Account**

 **C. Real Account D. Capital Account**

**(vii) Which book is used to record all credit purchases?**

 **A. Cash book B. Credit book C Purchases book D. Debit note book**

**(viii) The cash book is a book of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ .**

 **A. Single entry B. Original entry C. Double entry D. Compound entry**

 **(ix) The money can be withdraw from bank by means of \_\_\_\_\_\_\_\_\_\_\_ .**

 **A. Cash book B. Cheque book**

 **C. Deposit / Pay-in slip book D. Pass book**

 **(x) The price of services rendered to the customers is called \_\_\_\_\_\_\_\_ .**

 **A. Sale B. Profit C. Expense D. Revenue**

 **(xi) The valuation of closing stock is at**

 **A. Cost Price B. Cost or Market price whichever is lower**

 **C. Market Price D. Cost or Market price whichever is higher**

 **(xii) The gross profit from trading account is transferred to \_\_\_\_\_\_\_\_\_ .**

 **A. Drawing Account B. Profit and Loss Account**

 **C. Debtor's account D. Capital Account**

 **(xiii) Sales of goods of cash should be credited to \_\_\_\_\_\_\_\_\_\_\_\_ .**

 **A. Sales B. Cash C. Expense D. Income**

 **(xiv) Sales are equal to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.**

 **A. Cost of sales + Gross Profit B. Gross Profit - Cost of goods sold**

 **C. Cost of goods Sold - Gross Profit D. Purchases - Gross Profit**

 **(xv) The main purpose of Trail Balance is:**

1. **Check the equality of debits and credits**
2. **Check the arithmetical accuracy of double entry**
3. **Provide information used in preparing final accounts**
4. **All of the above**

 **(xvi) The accounting equation is based on concept \_\_\_\_\_\_\_\_\_\_\_ .**

 **A. Going concern B. Dual aspect**

 **C. Money measurement D. None of these**

 **(xvii) Nominal accounts are related to \_\_\_\_\_\_\_\_\_\_\_\_\_\_ .**

 **A. Assets B. Expenses C. Customers- creditors D. Incomes**

 **(xviii) Cash account is concerned with \_\_\_\_\_\_\_\_\_\_\_\_ .**

 **A. Real account B. Personal account**

 **C. Nominal account D. Capital account**

 **(xix) A purchase of Building for cash should be debited to account \_\_\_\_\_\_\_ .**

 **A. Cash B. Purchases C. Furniture D. Building**

 **(xx) The amount of salary paid to Imran should be debited to account \_\_\_\_ .**

 **A. Imran's B. Salaries C. Cash D. Wages**

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 **Pakistan School, Kingdom of Bahrain**

**HSSC Pre Board Examination, May-June 2021**

**Class: 11TH Sec\_\_\_\_\_ Total Marks:80**

**Subject:** **Principles of Accounting-I Time Allowed:2:35HRS**

**Student’s Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**NOTE:Section B & C comprises 1-2 pages. Answer all the questions from section B-C** **on a separate sheet. Write your answers neatly and legibly.**

**SECTION – B ( Marks:3x10=30 )**

**Q. 2 Answer any ten parts from this section. Your answer should be relevant and comprehensive.**

(i**) Distinguish between “Matching Concept” and “Accounting Period Concept”.**

**(ii) Distinguish between “Deferred Revenue” and “Deferred Expenditures” .**

**(iii) Distinguish between “Accrued Income” and “Accrued Expenditures”.**

**(iv) Differentiate between “revenue expenditure” and “capital expenditure”.**

**(v) What is Trade discount and Cash Discount?**

**(vi) Differentiate Capital Receipts and Revenue Receipts with examples.**

**(vii) What are “debit note” and “credit note?” and when are they used?**

**(viii) What is realization concept?**

**(ix) What are capital Loss and Revenue Loss?**

**(x) What are Error of Omission and Error of Commission?**

**(xi) Explain Un- presented Cheques and Un- Credited Cheques.**

**(xii) Distinguish between cash book and pass book.**

**SECTION “C” (Marks 50) Part - 1**

**Note:Attempt any one question.** **(1x20=20)**

**Q.3 Prepare three columns cash book**.

March 1 Started business with cash Rs. 100,000 out of which Rs. 30,000

 deposited into bank.

March 2 Goods sold on cash Rs. 20,000 and amount deposited into bank.

March 4 Purchased goods from Habib for Rs.1500/- and issued a cheque

 for payment,

March 5 Purchased Almirah for Rs 1500/- paying Rs 500/- in cash and

 issued a cheque for the balance

March 6 Purchased goods from Akhtar for Rs.10,000/- on credit

March 7 Issued cheque to Akbar Rs. 9,000 in full settlement.

Macrh 10 Sold goods to Ihsan Rs.15000 on credit.

March 11 Received cheque from Ihsan Rs. 14,500 in full settlement

March 14 Ihsan cheque deposited into bank.

March 17 Ihsan cheque is dishonored.

March 18 Goods purchased at list price Rs.40,000 and received 10% discount on list price

March 19 Withdrew from bank for office use Rs. 10,000.

March 20 Withdrew cash from bank for personal use Rs 1500.

March 25 Salaries paid by cash Rs. 3500 and by bank Rs. 2000

March 31 Company policy is to keep cash in hand Rs. 5000 as a closing balance. Any extra amount should be deposited into bank. If amount is less than Rs.5000, the balancing amount should be withdrawn from bank.

**Question 4 :Following is the T.B of Pasha Trading on 31st Dec 2017.**



Adjustments:

1. Wages payable Rs. 500
2. Bad Debts expenditures are 5% and also make a provision of bad debts 2% on Debtors
3. Allow Interest on Capital at 5%
4. Closing Stock valued at Rs. 15,000
5. Depreciation plant and machinery at 10%
6. Trade expenses payable Rs. 100

Required: Prepare Trading and Profit and Loss account and Balance Sheet.

**Part - 2**

**Note: Attempt any three questions: (3x10=30)**

**Q. 5 From the following particulars prepare bank reconciliation statement of M/S Qasim and Co.**

**a. Balance as per Bank Statement (Dr.) Rs. 9,000**

**b. Cheques issued but not presented Rs.15,000**

**C. Bank charges made by bank Rs. 500**

**d. Cheques deposited but not credited Rs. 1.500**

**e. Bank credited interest in the pass book Rs. 150 received from customer**

**f. Wrong credit given by bank Rs.300.**

**g. Commission directly paid by bank**

**h. Bank interest on overdraft balance Rs. 400.**

**I. Bank charges Rs. 100**

**Q. 6 Record the following transactions in the Journal, and post into the Ledger.**

**Jan1 Ahmad started business with cash Rs.100,000/-**

**Jan2 Deposited cash into bank Rs.60,000/-.**

**Jan3 Purchased goods for cash Rs.5,000/-.**

**Jan4 Purchased goods from Akbar on credit Rs. 10,000/-.**

**Jan5. Sold goods for cash Rs, 15,000/-,**

**Jan6 Sold goods on credit to Aslam for Rs 6,000/-.**

**Q. 7 State with reasons the nature of transactions**

1. **Preliminary expenses paid in the formation of company.**
2. **Heavy advertisement expenses paid to introduce a new product in the market.**
3. **Carriage paid on the purchase of a machinery.**
4. **Cost of overhauling and painting a second hand truck newly purchased.**
5. **Research and experimental expenses to introduce a new product.**

**Q. 8 In taking out Trial Balance, a book keeper finds that he is out of Rs. 800 excess debit. Being desirous of closing his books, he places the difference to a newly opened suspense account. He discovers the following discrepancies:**

1. **An item of sale for Rs. 5,900 was posted to the sales A/c as Rs.**

 **9,500**

1. **The total of the sale Returns Book has been added Rs. 100 short.**
2. **An amount of Rs. 3,700 received from a customer has been credited**

 **to his account as Rs. 7,300**

1. **Rs.1,50,000 paid for purchases of building have been charged to the**

 **ordinary purchase account.**

1. **A sum of Rs. 9,500 written off from building A/c as depreciation has**

 **not been posted to depreciation A/c.**

1. **An amount received from a debtor of Rs. 9,700 has been debited to**

 **his account as Rs. 7,900**

**Required: Rectify the entries and prepare Suspense Account.**