Madurai District

Date: 31/07/2026

MSS

11 - Std

Time : 1.30 Hours

FIRST MID TERM EXAM - 2026
ACCOUNTANCY

Marks : 50

PART - I

Note: (i) Answer all the questions. (ii) Choose the most appropriate answer from the given four alternatives and write the option code and the corresponding answer. **(10 × 1 = 10)**

1. The root of financial accounting system is
   (a) Social accounting (b) Stewardship accounting
   (c) Management accounting (d) Responsibility accounting
2. Financial position of a business is ascertained on the basis of
   (a) Journal (b) Trial balance (c) Balance Sheet (d) Ledger
3. The concept which assumes that a business will last indefinitely is
   (a) Business Entity (b) Going concern (c) Periodicity (d) Conservatism
4. In India, Accounting Standards are issued by
   (a) Reserve Bank of India (b) The Cost and Management Accountants of India
   (c) Supreme Court of India (d) The Institute of Chartered Accountants of India
5. A firm has assets of ₹ 1,00,000 and the external liabilities of ₹ 60,000. Its capital would be (a) ₹ 1,60,000 (b) ₹ 60,000 (c) ₹ 1,00,000 (d) ₹ 40,000
6. Prepaid rent is a (a) Nominal A/c (b) Personal A/c
   (c) Real A/c (d) Representative personal A/c
7. If the total of the debit side of an account exceeds the total of its credit side, it means
   (a) Credit balance (b) Debit balance (c) Nil balance (d) Debit and credit balance
8. The amount brought into the business by the proprietor should be credited to
   (a) Cash account (b) Drawings account (c) Capital account (d) Suspense account
9. The difference of totals of both debit and credit side of trial balance is transferred to:
   (a) Trading account (b) Difference account
   (c) Suspense account (d) Miscellaneous account
10. Trial balance is prepared: (a) At the end of the year (b) On a particular date
    (c) For a year (d) None of the above

PART - II

Note: Answer any 5 questions. Question No. 17 is compulsory. (5 × 2 = 10)

11. List any two functions of Accounting.
12. What are source documents?
13. What are the methods of preparation of Trial Balance?
14. Complete the accounting equation:
    (a) Assets (₹ 1,00,000) = Capital (₹ 80,000) + Liabilities (?)
    (b) Assets (?) = Capital (₹ 2,00,000) + Liabilities (₹ 40,000)
15. Define book-keeping.
16. How are personal accounts classified?
17. What is debit balance?

PART - III

Note: Answer any five questions. Question No. 24 is compulsory.

18. Give the golden rules of double-entry accounting system. **(5 × 3 = 15)**
19. 'Only monetary transactions are recorded in accounting'. Explain the statement.
20. State whether the balance of the following accounts should be placed in the debit or credit column of the trial balance: (i) Carriage outwards (ii) Wages
    (iii) Rent received (iv) Capital (v) Sales (vi) Sales return

21. Journalise the following transactions and post them to ledger:

Date	Particulars	Amount (₹)
2016 Jan 1	Started business with cash	10,000
2016 Jan 5	Paid into bank	5,000
2016 Jan 7	Purchased goods from Ram for cash	1,000

22. What are the limitations of trial balance?

23. Prepare Furniture A/c from the following transactions:

Date	Particulars	Amount (₹)
2016 Jan 1	Furniture in hand	2,000
2016 Jan 1	Purchased furniture for cash	4,000
2016 Jan 30	Sold furniture	400

24. Prepare the Trial Balance from the following information:

Name of the Account	Amount (₹)	Name of the Account	Amount (₹)
Bank Loan	1,00,000	Purchases	90,000
Bills Payable	50,000	Sales	1,50,000
Stock	35,000	Debtors	2,00,000
Capital	1,25,000	Bank	1,00,000

PART - IV

Note: Answer all the questions. **(3 × 5 = 15)**

25. (a) Jeyaseeli is a sole proprietor having a provisions store. Following are the transactions during the month of January 2018. Journalise them.
Jan 1: Commenced business with cash — ₹ 80,000
Jan 2: Deposited cash with bank — ₹ 40,000
Jan 3: Purchased goods by paying cash — ₹ 5,000
Jan 4: Purchased goods from Lipton & Co. on credit — ₹ 10,000
Jan 5: Sold goods to Joy and received cash — ₹ 11,000 ***(OR)***

(b) Show the direct Ledger postings for the following transactions:
2017 June 1: Raja commenced business with cash — ₹ 50,000
2017 June 6: Sold goods for cash — ₹ 8,000
2017 June 8: Sold goods to Devi on credit — ₹ 9,000
2017 June 15: Goods purchased for Cash — ₹ 4,000
2017 June 20: Goods purchased from Shanthi on credit — ₹ 5,000

26. (a) The following balances are extracted from the books of Ravichandran on 31st December, 2016. Prepare the Trial Balance:

Particulars	Amount (₹)	Particulars	Amount (₹)
Capital	1,50,000	Sales	75,000
Debtors	22,800	Return inwards	1,000
Rent Received	500	Discount Allowed	800
Bank Overdraft	3,100	Discount Received	1,000
Creditors	5,500	Wages	2,900
Premises	1,46,000	Salaries	3,500
Opening Stock	10,000	Commission Paid	1,100
Purchases	45,000	General expenses	2,000

(OR) (b) Prepare accounting equation for the following transactions:
(i) Murugan commenced business with cash — ₹ 80,000
(ii) Purchased goods for cash — ₹ 30,000 (iii) Paid Salaries by cash — ₹ 5,000
(iv) Bought goods from Kumar for ₹ 5,000 and deposited the money in CDM
(v) Introduced additional capital of — ₹ 10,000

27. (a) Discuss the role of an accountant in the modern business world. ***(OR)***
(b) Distinguish between journal and ledger.