AGA KHAN UNIVERSITY EXAMINATION BOARD

SECONDARY SCHOOL CERTIFICATE

CLASS IX EXAMINATION

APRIL/MAY 2019

Principles of Accounting Paper II

Time: 2 hours 20 minutes Marks: 50

INSTRUCTIONS

Please read the following instructions carefully.

1. Check your name and school information. Sign if it is accurate.

I agree that this is my name and school. Candidate's Signature

RUBRIC

- 2. There are TEN questions. Answer ALL questions.
- 3. When answering the questions:

Read each question carefully.

Use only a black pointer to write your answers. DO NOT write your answers in pencil.

Use a black pencil for diagrams. DO NOT use coloured pencils.

DO NOT use staples, paper clips, glue, correcting fluid or ink erasers.

Complete your answer in the allocated space only. DO NOT write outside the answer box.

- 4. The marks for the questions are shown in brackets ().
- 5. You may use a simple calculator if you wish.
- 6. Wherever new terminologies are mentioned their old terminologies are mentioned in the brackets for your assistance.

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Q.1.	(Total 4 Marks)
	pary 01, 2018 by investing cash of Rs 200,000 and also borrowed a ear, assets increased by Rs 38,000 and liabilities decreased by
Calculate the amount of assets, lia information.	abilities and owner's equity on December 31, 2018, using the given
	VO 714
	0,
0.2	(Total 4 Marks)

The given double entries have been made by the book keeper of Rafay Traders.

Identify the double entry of the given transactions as correct or incorrect.

(Note: The first double entry has been done for your assistance.)

S. No.	Transaction	Double Entry		Correct/ Incorrect
1	Bought goods on credit from Ali for Rs 122,000	Sales Trade receivable	debit credit	Incorrect
2	Returned goods to Rauf, a supplier, worth Rs 12,000	Trade payable Purchase return	debit credit	
3	Paid Rs 80,000 for the purchase of furniture to be used for resale	Furniture Cash	debit credit	
4	Withdrew goods of Rs 23,500 from business for his personal use	Drawing Cash	debit credit	
5	Deposited cash into bank	Bank Cash	debit credit	

Q.3. (Total 6 Marks)

The following details have been extracted from the books of Basit Associates for the month of January 2019.

Account Title	Amount (Rs)
Merchandise inventory (stock) January 01, 2019	23,000
Purchases	215,000
Purchases return	18,000
Transportation on sales of goods	10,000
Merchandise inventory (stock) January 31, 2019	35,000
Sales Revenue	325,000

Calculate the amount of gross profit for Basit Associates for the month of January 2019, using the given information.

Income Statement (Profit and Loss Account) For the Month ended January 31, 2019				
For the Month ended	January 31, 20.	19		

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Q.4. (Total 6 Marks)

Following transactions have been extracted from the books of Wazeer Autoparts during the month of March 2019.

March 01	Withdrew	cash Rs	18,000 fro	om bank for	business use

March 05 Sold goods on cash to Sultan Sons for Rs 23,500

March 10 Paid cash Rs 13,000 for the purchase of goods amounting Rs 22,000 and balance to be

paid in April

March 15 Paid utility bills of Rs 7,600

March 25 Received cash from customer Rs 7,300

March 30 Interest collected from bank Rs 1,500

Post these transactions in the given self-balancing cash ledger of Wazeer Autoparts.

	Cash (self-balancing ledger)								
Date		Particular	P.R.	Debit	Credit	Balance			
Mar 01	Balance		7	• •	73	11,000 Dr			
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		Y	7						
			(2)						
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Q.5. (Total 5 Marks)

Post the given transactions in the following cash book of Mr Amin.

- 1. Cash sales of Rs 5,000
- 2. A customer directly deposited Rs 15,000
- 3. Received a cheque from Mr Basit, a customer, of Rs 15,000
- 4. Cheque issued of Rs 15,000 to Irfan Traders for the goods supplied
- 5. Paid labour charges worth Rs 500

	Cash Book								
		eceipt (Rs)					yment (Rs)		
S. No.	Particular	L.F.	Cash	Bank	S. No.	Particular	L.F.	Cash	Bank
	Balance		20,000	100,000	, C			7	
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			• (13					

Q.6. (Total 5 Marks)

Aleem Traders prepares petty cash book on the basis of imprest method. The following expenses were paid by the petty cashier of Aleem Traders during the month of March 2019.

Date	Transaction	Amount (Rs)
March 05	Paid for the transportation of office staff.	180
March 10	Bought colour pages to be used in office.	110
March 15	Purchased bill books.	950
March 20	Paid loading and unloading charges for the goods purchased.	350
March 25	Bought postal stamps for sending mails.	200
March 30	Paid for the cold drinks and snacks for guests.	280
March 31	Paid rickshaw fare for the goods bought.	400
March 31	Paid for the transportation of manager.	120

As a petty cashier, prepare a petty cash book for Aleem Traders and balance it off on April 01, 2019.

Petty Cash Book									
Receipt	Date	Detail	Voucher No.	Total	Postage and Stamps	Conveyance	Printing and Stationary	Coolie and Cartage	Miscellaneous
850	Mar 01	Balance b/d	(2)						
2,150	Mar 01	Cash							
		100							

Q.7. (Total 4 Marks)

Enter the given transactions in the following sales day book.

Date Particular		Amount (Rs)
Nov 01, 2018	Credit sales to Mr Ahmed (invoice # 12563)	7,500
Nov 03, 2018	Credit sales to Mr Ghafoor (invoice # 12564)	8,000
Nov 05, 2018	Credit sales to Mr Samad (invoice # 12566)	12,500
Nov 07, 2018	Credit sales to Mr Amir (invoice # 12568)	9,500
Nov 09, 2018	Credit sales to Mr Karim (invoice # 12570)	14,500

	Sales Day Book						
Date	Invoice No.	Name of Customer	Folio	Amount			
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	3						

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Q.8. (Total 4 Marks)

Complete the table by naming the document that will be issued in each of the given situations.

S. No.	Situation	Name of Document
1	Ahmed issued a document against the goods sent to Nasir.	
2	Rabia issued a document for the goods returned to Amina Traders.	
3	Rahim, a buyer issued a document to Fahad informing about the goods to be delivered to him.	
4	Abid issued a document for the goods returned by Sayem Traders.	

Q.9. (Total 6 Marks)

The following details, related to machine, have been taken from the books of Absar Textile for the year ended on December 31, 2018.

Details	Date
Cost of machine Rs 700,000 and having book value of Rs 400,000	Jan 01, 2018
New machine purchased at Rs 200,000	Mar 31, 2018
Old machine costing Rs 80,000 was exchanged with a new machine costing Rs 110,000	June 30, 2018
Sold old machine costing Rs 160,000 having book value of Rs 100,000 for Rs 80,000	July 01, 2018

Prepare machine account from the given details and bring down the balance as on January 01, 2019.

Q.10. (Total 6 Marks)

Following extract of the pre-closing trial balance has been taken from the books of Shadab Traders as on December 31, 2018.

Account Title	Debit	Credit
Furniture at cost	600,000	
Allowance (provision) for depreciation on furniture		120,000
Plant and machinery at cost	1,000,000	
Allowance (provision) for depreciation on plant and machinery		360,000
Trade receivables (accounts receivable)	80,000	
Allowance (provision) for doubtful (bad) debts		7,200
Sales revenue		860,000

The policies related to charging allowance (provision) on non-current (fixed) assets and current assets is as under:

- Furniture is to be depreciated by using 10% straight line method.
- Plant and machinery is to be depreciated by using 20% diminishing balance method.
- Allowance (provision) for doubtful (bad) debt is to be recorded at 1% of sales revenue.

Prepare the general entries for recording depreciation and maintaining allowance (provision) for doubtful (bad) debts at the end of year 2018, using the given information.

S. No.	Particulars	P.R.	Debit	Credit

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S. No.	Particulars	P.R.	Debit	Credit

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