

BRAIN INTERNATIONAL SCHOOL

SUBJECT: ACCOUNTANCY

CLASS: XI

NOVEMBER'24

CHAPTER 16: PROVISIONS AND RESERVES

1. Differentiate between Provisions and Reserves on any four basis.
2. Discuss the role of Secret Reserve in a business.
3. Differentiate between Specific Reserve and Capital Reserve on any three basis.

CHAPTER 17: RECTIFICATION OF ERRORS

1. Rectify the following errors and prepare suspense account:
 - a) Purchase return book total ₹400 has not been posted to ledger account.
 - b) ₹5,100 spent on legal expenses for the newly acquired building was debited to the building account as 1,500.
 - c) ₹60 paid by a customer had been omitted to record in the books.
 - d) Furniture costing ₹5,000 purchased from Jyoti was wrongly entered in purchase book as ₹450.
 - e) Goods bought from a merchant for ₹550 had been posted to the credit of his account as ₹55.
 - f) A cheque of ₹8,000 received from Ashish was dishonoured and was debited to discount account.
2. What is a trial balance?
3. Which of the following errors will affect the trial balance?
 - a) The total of the sales book has not been posted to sales account.
 - b) Goods costing ₹4,000 taken by the proprietor for personal use have been debited to debtor's account.
 - c) ₹1,000 paid as installation charges of new machine has been debited to repairs account.
4. Give one example of error of principle.
5. What do you mean by suspense account?