Brain International School
Vikas Puri, New Delhi

ASSIGNMENT NO. 5

SUBJECT: ACCOUNTANCY CLASS-XI NOVEMBER,2025

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?

CHAPTER 18: FINANCIAL STATEMENTS OF A SOLE PROPRIETORSHIP BUSINESS

1. What type of expenses are shown in Trading Account?

a. Direct expenses

b. Indirect expenses

c. Opening expenses

d. Direct and Indirect expense

2. Find out the value of closing stock.

Opening Stock	Rs.960000
Sales	Rs. 3900000
Purchases	Rs. 2720000
Gross Profit is 30% on Cost.	

3. Differentiate between Revenue Expenditure and Capital Expenditure on three basis.

4. From the following information, prepare a Trading account for the year ended 31/03/2022.

Cost of goods sold ₹ 8,00,000; Sales ₹ 10,00,000; Wages ₹ 12,000; Closing stock ₹ 50,000.

5. The following balances were extracted from the books of Mr. Surya Pratap on 31st December, 2019:

Ledger Accounts	Dr. Balance	Cr. Balance
Capital		24,500
Drawings	2,000	
General Expenses	2,500	
Building	11,000	
Machinery	9,340	
Stock (01.01.2019)	16,200	
Power	2,240	
Taxes & Insurance	1,315	
Wages	7,200	
Sundry Debtors	6,280	
Sundry Creditors		2,500
Charity	105	
Bad Debts	550	
Bank Overdraft		11,180
Sales		65,360
Purchases	47,000	
Scooter	2,000	
Bad Debts Provision		900
Commission		1,320
Trade Expenses	1,780	
Bills Payable		

Cash	100	3,850
Total	1,09,610	1,09,610

Prepare Trading Account and Profit and Loss Account and Balance Sheet for the year ended 31st December, 2019 after taking into account that Stock on 31st December 2019 was valued at ₹ 23,500.