



# Brain International School

Vikas Puri, New Delhi

## REVISION SHEET

**SUBJECT: ACCOUNTANCY**

**CLASS-XI**

**TERM II**

### UNIT 1- THEORETICAL FRAMEWORK

1. Which of the following is not the advantage of accounting?
  - a) Based on accounting concepts
  - b) Systematic records
  - c) Comparative Study
  - d) Helpful in decision - making
2. The assumption that a business enterprise will not be sold or liquidated in the near future is known as
  - a) Materiality
  - b) Consistency
  - c) Going concern
  - d) Industry practice
3. Which branch of accounting helps to ascertain profit and loss for the year and also shows the financial position?
  - a) Management account
  - b) Human resource accounting.
  - c) Financial accounting
  - d) Cost accounting
4. **Materiality convention is an exception of the full disclosure concept.** Do you agree with the above statement? Give reason in support of your answer.
5. Define the basic accounting terms with an example:
  - Stock
  - Asset
  - Liabilities
  - Expenditure
  - Revenue
6. What is accounting? Define its objectives.

7. Describe the informational needs of external users.
8. Discuss the principle based on the premise **Do not anticipate profits but provide for all losses** .
9. Business units last indefinitely. Mention and explain the concept on which the statement is based.

## UNIT 2- ACCOUNTING PROCESS

1. Classify the following accounts under personal, real or nominal accounts:
  - a) Commission Paid
  - b) Commission Received
  - c) Commission Accrued
  - d) Prepaid Salaries
  - e) Leasehold Property A/c
  - f) Discount Allowed
  - g) Carriage Inwards A/c
  - h) Life Insurance Corporation of India
  - i) Drawings A/c
  - j) Rent Received in Advance
  - k) Debtors
  - l) Sales A/c
  - m) Rent Paid in Advance
  - n) Bank Overdraft
2. What is an invoice?
3. Name and explain different type of reserves in details.
4. How are the following items dealt in Accounting Equation?
  - a) Interest due but not received₹ 500
  - b) Rent received in advance₹ 1,000
  - c) Insurance premium paid in advance₹ 1,500
  - d) Salaries due but not paid₹ 200
5. Prepare bank reconciliation statement of Dhruv on 30th June 2023 with the following particulars:
  - a) Pass Book showed an overdraft of₹ 15,000 on 30th June 2023.
  - b) A cheque of₹ 200 was deposited in bank but not recorded in Cash Book.

c) Cheques of ₹ 17,000 were issued but cheques worth only ₹ 10,000 were presented for payment up to 30th June 2023.

d) Cheques of ₹ 2,000 were received and recorded in Cash Book but not sent to bank.

e) Cheques of ₹ 10,000 were sent to bank for collection; out of these cheques of ₹ 2,000 and of ₹ 1,000 were credited respectively on 8th July and 10th July and the remaining cheques were credited before 30th June 2023.

f) Bank paid ₹ 300 fee of Chamber of Commerce on behalf of Dhruv, which was not recorded in Cash Book.

g) Bank charged interest on overdraft ₹ 800 which was not recorded in Cash Book,

h) ₹ 40 for bank charges were recorded two times in Cash Book and bank expenses of ₹ 35 were not at all recorded in Cash Book.

i) Total of credit side of bank column of Cash Book was undercast by ₹ 1,000 by mistake.

6. Harish of Hisar returned goods of ₹ 30,000 purchased from Rakesh of Rohtak, Haryana. Rates of CGST and SGST are 6% each while that of IGST is 12%. Pass the Journal entry in the books of Harish.

7. Rectify the following errors assuming that suspense account was opened. Ascertain the difference in trial balance.

a) Furniture purchased for ₹ 10,000 wrongly debited to purchase account as ₹ 4,000.

b) Machinery purchased on credit from Ravi for ₹ 20,000 recorded through purchase book as ₹ 6,000.

c) Repair on machinery ₹ 1,400 debited to machinery account as ₹ 2,400.

d) Repair on overhauling of second hand machinery purchased ₹ 2,000 was debited to repair account as ₹ 200.

e) Sale of old machinery at book value ₹ 3,000 was credited to sales account as ₹ 5,000.

8. Journalise the following transactions in the books of Sharma & Sons.:

2023	
March 02	Sold goods to Deepak of the list price of ₹ 62,000 for ₹ 60,000.
March 16	Purchased goods costing ₹ 2,00,000 from Hari & Co. Paid 75% immediately by cheque to avail 4% discount.
March 20	Sold goods to Vijay Traders costing ₹ 40,000 at 25% profit, allowing 10% trade discount and 10% cash discount. Received 80% payment immediately by cheque.
March 26	Sold goods to Basu & Co. costing ₹ 50,000 at 40% profit, allowing 10% trade discount and 5% cash discount. Basu & Co. paid the full amount by cheque and availed cash discount.

9. The following balances appear in the books of X limited as on 1st April 2019:

Machinery Account: ₹ 5,00,000

Provision for Depreciation Account: ₹ 2,25,000

The machinery was depreciated at 10% p.a. on fixed instalment method, the accounting year being April to March.

On 1st October 2019, a machinery which was purchased on 1st July 2016 for ₹2,00,000 was sold for ₹ 1,42,000 and on the same date a fresh machine was purchased for ₹3,00,000.

Prepare Machinery Account and Provision for Depreciation Account for the year 2019-20.

**10.** Ganga Ltd. purchased a machinery on January 1, 2021 for ₹ 5,50,000 and spent ₹ 50,000 on its installation. On September 1, 2021 it purchased another machine for ₹ 3,70,000. On May 1, 2022 it purchased another machine for ₹ 8,40,000 (including installation expenses) and on the same day sold half of the machinery purchased on Jan 1, 2021 at a loss of ₹10,000. Depreciation was provided on machinery @10% p.a. on reducing balance method. Prepare Machinery account for the years 2020-21; 2021-22 and 2022-23.

### UNIT 3- FINANCIAL STATEMENTS OF SOLE PROPRIETORSHIP

1. Following is the trial balance of J Subramanium on 31st March, 2013. Pass the closing entries and prepare the trading and profit and loss account for the year ended 31 st March, 2013.

#### Trial Balance

as on 31st March, 2013

<b>Name of Account</b>	<b>Debit Amount (Rs.)</b>	<b>Credit Amount (Rs.)</b>
Capital A/c		30,000
Stock A/c (1st April, 2012)	6,000	
Cash at bank	3,000	
Cash in hand	1,320	
Machinery A/c	18,000	
Furniture and fittings A/c	4,080	
Purchases A/c	45,000	
Wages A/c	30,000	
Fuel and power A/c	9,000	
Factory lighting A/c	600	
Salaries A/c	21,000	
Discount allowed A/c	1,500	
Discount received A/c		900
Advertising A/c	15,000	
Sundry office expenses A/c	12,000	
Sales A/c		1,50,000
Sundry debtors	25,500	
Sundry Creditors		11,100
	<b>1,92,000</b>	<b>1,92,000</b>
	=====	=====

Value of closing stock as on 31st March, 2013 was Rs. 8,100.

2. From the following balances taken from the books of Mayank Malhotra & Sons, prepare Trading and Profit & Loss Account for the year ended 31st March, 2023 and a Balance Sheet as at that date. Stock in hand on 31st March, 2023 was ₹ 56,000.

Name of Accounts	Dr. Balances₹	Cr.Balances₹
Stock at Commencement	15,320	
Purchases and Sales	1,00,000	1,20,000
Returns	2,200	3,000
Drawings and Capital	10,000	1,30,000
Cartage	2,200	
Factory heating and lighting	6,600	
Works expenses	15,200	
Rent Received		7,300
Cash at Shop	800	
<b>Accounts Receivable</b>		
Karan	8,000	
Verma	5,000	
Singh	1,500	
<b>Accounts Payable</b>		
Prashant		16,000
Kholi		7,540
Horses and Carts	25,000	
B/R and B/P	10,000	2,120
Rent paid	15,000	
Fire Insurance Premium	4,800	
Life Insurance Premium	6,000	
Bank overdraft		67,000
Bank Interest	2,400	
Telephone Expenses	3,000	
Advertisement Expenses	5,200	
Salaries and Wages	32,240	
Freehold Property	81,000	
Audit Fees	1,500	
	<b>3,52,960</b>	<b>3,52,960</b>

3. M/s. Nishit printing press bought a printing machine for ₹ 6,80,000 on April 01, 2015. Depreciation was provided on a straight - line basis at the rate of 20% on the original cost. On April 01, 2017, a modification was made in the machine to increase its technical reliability by ₹ 70,000. On the same date, an important component of the machine was replaced for ₹ 20,000 due to excessive wear and tear. Routine maintenance expenses during the year are ₹ 5,000 Prepare machinery account, provision for depreciation account. Show the working notes accordingly for the year ending March 31, 2018.

4. Aman started a business on 1st April 2012, with a capital of Rs 4,50,000. During the year, he withdrew Rs 80,000 for household expenses and introduced Rs 14,000 as fresh capital. His position of assets and liabilities as at 31st March, 2013 stood as follows

Items	Amt(Rs)
Cash in Hand	37,000
Stock	40,000
Bills receivable	50,000
Debtors	8,00,000
Creditors	3,00,000
Bills payable	6,000

You are required to prepare statement of profit or loss for the year ended 31st March, 2013.

5. From the following information:

Net Sales ₹10,00,000; Sales returns ₹ 50,000; Gross profit is 20% on cost

Calculate:

- a) Cost of goods sold
- b) Gross profit

6. Differentiate between Single Entry System and Double Entry System of Accounting.

7. From the following information of Mr. Ram, Prepare Trading and Profit and Loss Account for the year ended and a Balance Sheet as at March 31<sup>st</sup>, 2023. 6

Particulars	₹	Particulars	₹
Opening Stock	41,000	Purchases	2,20,000
Rent	9,600	Sales	2,80,000
Salary	20,000	Returns(Dr.)	6,000
Bad Debts	400	Returns (Cr.)	2,000
Provision for Doubtful Debts	3,000	Carriage Inward	3,500
Travelling Expenses	1,400	Carriage Outward	500
Insurance Premium	1,800	Capital	1,75,000
Drawings	4,000	Loan(Cr.)	20,000
Telephone Charges	7,300	Debtors	40,000
Printing and Advertising	5,000	Creditors	27,000
Commission(Cr.)	6,000	Investments	5,000
Rent from Sublet	4,800	Interest on Investments	600
Land and Building	1,40,000		
Furniture	10,000		
Cash	2,900		

Adjustments:

- a) Stock was valued at ₹75,000 on March 31, 2023. A fire occurred in godown and stock of the value of ₹10,000 was destroyed. Insurance Company admitted a claim of 75%.
- b) One-third of the commission received in respect of work to be done next year.
- c) Create a provision of 5% for doubtful debts.
- d) 50% of the Printing and Advertising is to be carried forward as a charge in the following year.
- e) ₹900 due for interest on loan.

Provide for Manager's Commission at 10% on Net Profits before charging such commission.