

TVL11Acc

Tenkasi District Common Examinations  
Common Second Mid Term Test - November 2022



### Standard 11

## ACCOUNTANCY

Time: 1.30 Hrs.

Marks: 45

### PART - A

Choose the correct answer:

10×1=10

- 1) Wages paid for installation of machinery wrongly debited to wages account is an error of
  - a) Partial omission
  - b) Principle
  - c) Complete omission
  - d) Duplication
- 2) If the total charge of depreciation and maintenance cost are considered, the method that provides a uniform charge is
  - a) Straight line method
  - b) Diminishing balance method
  - c) Annuity method
  - d) Insurance policy method
- 3) Which of the following errors will not affect the trial balance?
  - a) Wrong balancing of an account
  - b) Posting an amount in the wrong account but on the correct side
  - c) Wrong totalling of an account
  - d) Carried forward wrong amount in a ledger account
- 4) Depreciation is to be calculated from the date when
  - a) Asset is put to use
  - b) Purchase order is made
  - c) Asset is received at business premises
  - d) Invoice of assets is received
- 5) Depreciation is to be calculated from the data when
  - a) Asset is put to use
  - b) Purchase order is made
  - c) Asset is received at business premises
  - d) Invoice of assets is received
- 6) Under the written down value method of depreciation, the amount of depreciation is
  - a) Uniform in all the years
  - b) Decreasing every year
  - c) Increasing every year
  - d) None of the above
- 7) Revenue expenditure is intended to benefit
  - a) Past period
  - b) Future period
  - c) Current period
  - d) Any period
- 8) Balance sheet is \_\_\_\_\_.
  - a) An account
  - b) A statement
  - c) Neither a statement nor an account
  - d) None of the above
- 9) Interest on bank deposits is
  - a) Capital receipt
  - b) Revenue receipt
  - c) Capital expenditure
  - d) Revenue expenditure
- 10) Balance sheet is \_\_\_\_\_.
  - a) An account
  - b) A statement
  - c) Neither a statement nor an account
  - d) None of the above

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**PART - B****Answer any FOUR questions. Q.No. 16 is compulsory:****4×2=8**

- 11) What is meant by error of partial omission?
- 12) Name any two direct expenses and two indirect expenses.
- 13) State whether they are capital and revenue
  - i) Construction of building ₹ 10,00,000.
  - ii) Repairs to furniture ₹ 50,000.
  - iii) White-washing the building ₹ 80,000.
  - iv) Pulling down the old building and rebuilding ₹ 4,00,000.
- 14) An asset is purchased for ₹ 50,000. The rate of depreciation is 15% p.a. Calculate the annual depreciation for the first two years under diminishing balance method.
- 15) On 1.1.2017 a firm purchased a machine at a cost of ₹ 1,00,000. Its life was estimated to be 10 years with scrap value of ₹ 10,000. Compute the amount of depreciation to be charged at the end of each year.
- 16) From the following balances taken from the books of Saravanan, calculate gross profit for the year ended December 31, 2017.

Particulars	₹	Particulars	₹
Opening stock	1,50,000	Net sales during the year	4,00,000
Direct expenses	8,000	Net purchases during	
Closing stock	25,000	the year	1,50,000

**PART - C****Answer any FOUR questions. Q.No. 22 is compulsory:****4×3=12**

- 17) Mention any three differences between trial balance and balance sheet.
- 18) Explain any three causes for depreciation.
- 19) Distinguish between capital receipt and revenue receipt.
- 20) What are the final accounts? What are its constituents?
- 21) Compute cost of goods sold from the following information.

Particulars	₹	Particulars	₹
Opening stock	10,000	Indirect expenses	5,000
Purchase	80,000	Closing stock	15,000
Direct expenses	7,000		

- 22) Distinguish between capital expenditure and revenue expenditure.

**PART - D****Answer all the questions:****3×5=15**

- 25) a) Pass journal entries to rectify the following errors located after the preparation of the trial balance. Assume that there exists a suspense account.
  - i) The total of sales book was undercast by ₹ 2,000.
  - ii) The purchase of machinery for ₹ 30,000 was entered in the purchases book.

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- iii) A credit sale of goods for ₹ 4,500 to Mathi was posted in his account as ₹ 5,400.
- iv) The purchases returns book was overcast by ₹ 200.
- v) The total of sales book ₹ 1,122 was wrongly posted in the ledger as ₹ 1,222.

(OR)

- b) The book keeper of a firm found that the trial balance was out by ₹ 922 (excess credit). He placed the amount in the suspense account and subsequently found the following errors.
- i) The total of discount column on the credit side of the cash book ₹ 78 as not posted in the ledger.
- ii) The total of purchases book was short by ₹ 1,000.
- iii) A credit sale of goods to Natarajan for ₹ 375 was entered in the sales book as ₹ 735.
- iv) A credit sale of goods to Mekala for ₹ 700 was entered in the purchases book.

Your are required to give rectification entries and prepare suspense account.

- 26) a) Anand bought a machinery for ₹ 1,00,000 on 1-1-2015. On 1-6-2015, he bought another machine for ₹ 50,000. On 1-10-2017, he purchased another machine for ₹ 20,000. Provide depreciation at 10% p.a. on straight line method. Prepare machinery account for the years 2015 to 2017 by using accounts by assuming accounts are closed on 31<sup>st</sup> December every year.

(OR)

- b) State the following items into capital, revenue or deferred revenue.
- i) Advertising expenditure, the benefits of which will last for three years ₹ 1,00,000
- ii) Sale proceeds of goods ₹ 75,000
- iii) Construction of building ₹ 10,00,000
- iv) Commission received ₹ 30,000
- v) Repair to machinery purchased second hand ₹ 3,000

- 27) a) From the following details, prepare profit and loss account.

Particulars	₹	Particulars	₹
Gross profit	50,000	Discount received	3,000
Office rent	10,000	Carriage outwards	2,500
Depreciation of office assets	8,000	Insurance on office building	3,500
Discount allowed	12,000	General expenses	3,000
Advertisement	4,000	Carriage inwards	1,000

(OR)

- b) From the following balances of Niruban, prepare balance sheet as on 31<sup>st</sup> December, 2017.

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Particulars	Dr. ₹	Cr. ₹
Plant and Machinery	8,00,000	
Land and building	6,00,000	
Furniture	1,50,000	
Cash in hand	20,000	
Bank overdraft		1,80,000
Debtors and Creditors	3,20,000	2,40,000
Bills receivable and Bills payable	1,00,000	60,000
Closing stock	4,00,000	
Investments (short term)	80,000	
Capital		15,00,000
Drawings	1,30,000	
Net profit		6,20,000
	26,00,000	26,00,000

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