

11 - STD

SECOND MID TERM EXAM - 2023

REG. NO.

1516111

MARKS : 45

ACCOUNTANCY

TIME : 1.30

- I. Choose the correct answers **YouTube/ Akwa Academy** $10 \times 1 = 10$
- Errors not affecting the agreement of trial balance are
 (a) Errors of Principle (b) Errors of overcasting
 (c) Errors of under casting (d) Errors of partial omission
 - The total of Purchases book was overcast. Which of the following accounts should be debited in the rectifying journal entry?
 (a) Purchases account (b) Suspense account
 (c) Creditor account (d) None of the above
 - A transaction not recorded at all is known as an error of
 (a) Principle (b) complete omission (c) Partial omission (d) Duplication
 - under straight line method, the amount of depreciation is ?
 (a) Increasing every year (b) Decreasing every year
 (c) Constant for all the years (d) Fluctuating every year
 - Depreciation is caused by
 (a) Lapse of time (b) usage (c) Obsolescence (d) a, b and c
 - For which of the following assets, the depletion method is adopted for writing off cost of the asset ?
 (a) Plant and machinery (b) Mines and quarries (c) Buildings (d) Trademark.
 - Amount spent on increasing the seating capacity in a cinema hall is.
 (a) capital expenditure (b) Revenue expenditure
 (c) Deferred revenue expenditure (d) None of the above
 - Interest on bank deposits is
 (a) capital receipt (b) Revenue receipt
 (c) capital expenditures (d) Revenue expenditures
 - Carriage inwards will be shown
 (a) In the trading account (b) In the Profit and Loss account
 (c) on the liabilities side (d) on the assets side.
 - Balance sheet shows the _____ of the business
 (a) Profitability (b) Financial position (c) Sales (d) Purchases.
- II. Write the answers following any 4 Questions. $4 \times 2 = 8$
- What is meant by rectification of errors?
 - What is meant by depreciation?
 - What is capital expenditure?
 - Name any two direct expenses and indirect expenses.
 - Rectify the following errors discovered before the Preparation of the trial balance.
 (a) Sales book was undercast by ₹7500
 (b) The purchases returns book was over east by ₹400
 - A firm purchased a Plant for 50000. Erection charges amount to ₹5000. Effective life of the plant is 5 years. calculate the amount of depreciation per year under straight line method.
- III. Write the answers following any 4 Questions. $4 \times 3 = 12$
- What are the causes for depreciation?
 - Distinguish between Capital expenditure and revenue expenditure.

19. Give Journal entries to rectify the following errors discovered after the Preparation of trial balance.

- (a) purchases book was overcast by ₹5000
 (b) Repairs to furniture of ₹1000 was debited to furniture account.
 (C) A credit sale of goods to Akil for ₹456 was credited to his account as ₹654.

20. Calculate the rate of depreciation under straight line method from the following information on 1.1.2018 spent ₹12000 on its repairs Expected useful life of machine is 4 years *Rate 6000* *Cost 38000*

21. Classify the following items into capital and revenue.

- (I) ₹50,000 spent for railway siding.
 (ii) Loss on sale of old furniture
 (iii) Carriage paid on goods sold.

22. Prepare trading account in the books of Mr.Sanjay for the year ended 31st December 2017:

Particulars	₹	Particulars	₹
Opening stock	570	Purchases	15,800
Sales	26,200	Purchases returns	90
Sales returns	60	Closing stock	860

IV. Answers all the Questions

5 x 3 = 15

23. a) Rectify the following errors which were located before preparing the trial balance.

- (a) Wages paid ₹2,000 for the erection of machinery was debited to wages account.
 (b) Sales returns book was short totalled by ₹1,000.
 (c) Goods purchased for ₹200 was posted as ₹2,000 to purchases account.
 (d) The sales book was overcast by ₹1,500.
 (e) Cash paid to Mukil ₹2,800 which was debited to Akhil's account as ₹2,000. (OR)

b) A Company Purchased on 1st, April 2008 a machinery for ₹80000. To instal the machinery expenses incurred, was ₹12000. Depreciate machinery-10% P.a. Under straight line method. on 30th June 2010 the worn out machinery was sold for ₹52000. are closed on 31st, December every year. Show machinery account.

24. a) classify the following receipts into capital and revenue.

- (i) Audit fees paid = ₹10,000
 (ii) Labour welfare expenses ₹5,000
 (iii) ₹2,000 paid for servicing the Company vehicle
 (iv) Repair to furniture purchased second hand ₹3000
 (v) Rent Paid for the factory ₹12,000 (OR)

b) 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.

25. From the following details Prepare (a) Profit and loss account

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

(OR)

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b) From the following particulars, prepare balance sheet in the books of Bragathish as on 31st December, 2017:

Particulars	₹	Particulars	₹
Capital	80,000	Cash in hand	20,000
Debtors	12,800	Net profit	4,800
Drawings	8,800	Plant	43,200