



ST. XAVIER'S SENIOR SECONDARY SCHOOL, DELHI – 110054

Class 11  
21-12-2017

Pre-Annual Test in ACCOUNTANCY

Time : 1½ hrs.  
M. Marks : 40

1. Differentiate between Reserve and Provision on the basis of charge or appropriation. 1
2. What is meant by 'Retiring a bill under Rebate'? 1
3. 'Provision is made to meet an unknown liability.' Comment. 1
4. a) Original cost of a machinery is Rs. 5,20,000; salvage value is Rs. 20,000.  
What will be the amount of depreciation for second year according to diminishing balance method @ 10% p.a.?  
b) Reliance Co. did not use a particular machine during the current year. Should depreciation be charged on this machine also? Give reasons. 3
5. Calculate the due dates of the bills in the following cases:-

	Date of the bill	Period
i)	23rd November, 2009	2 months
ii)	27th November, 2007	3 months
iii)	29th May, 2009	4 months
iv)	23rd May, 2009	60 days
v)	13th July, 2009	30 days
vi)	31st May, 2009	1 month

Emergency Holiday : 25th July, 2009. 3
6. Rectify the following errors:
  - a) Credit sales to Arun Rs. 7000/- were recorded as Rs. 700/-.
  - b) Credit purchases from Brij Rs. 9,000/- were recorded as Rs. 900/-.
  - c) Goods returned to Charu Rs. 4,000/- were recorded as Rs. 400/-.3
7. Write any four points of importance of Reserves. 4
8. Explain the errors that affect the matching of trial balance and how are they rectified. Give suitable examples. 4
9. Pass journal entries to rectify the following errors:
  - a) Material from store Rs. 5,000/- and wages Rs. 2,000/- had been used in making tools and equipments for use in own factory, but no adjustments were made in the books.
  - b) Wages paid for the construction of office, debited to wages account Rs. 13,000/-.
  - c) Salaries paid Rs. 3,720/- were recorded in the cash book as Rs. 3,270/-.
  - d) A cheque for Rs. 500/- received from Ashok was dishonoured and has been posted to the debit of Sales Return Account.4
10. On 1st April, 2005, Z Ltd. purchased machinery for Rs. 1,20,000/- and on 30th September 2006, it acquired additional machinery for Rs. 20,000/-. On 30th June 2007 one of the original machine (purchased on 1st April 2005, which had cost Rs. 5,000/- was found to have become obsolete and was sold as scrap for Rs. 500/-. On the same date a new machine was purchased for Rs. 8,000/-. Depreciation is to be charged @ 15% p.a. on written down value. Accounts are closed on 31st March each year. Show machinery account for the first three years. 5

11. a) X. Sells goods to Y for Rs. 2,00,000/-. Instead of one bill of Rs. 2,00,000/-, X draws three bills of exchange on Y for Rs. 40,000/-, Rs. 60,000/- and Rs. 100,000/-. What is the value involved in drawing three bills instead of one?
- b) A bill for Rs. 40,000/- was discounted by Ganesh with Axis Bank for Rs. 38,500/-. At maturity, the bill was dishonoured and bank notified it for Rs. 600/-. How much amount Axis Bank will deduct from the bank balance of Ganesh at the time of dishonour?
- c) Radha draws a bill on Lalita for Rs. 50,000/-. She wants to endorse it to Visakha in settlement of Rs. 62,000/- at 4% discount with the help of Lalita's acceptance and balance in cash. How much cash Radha will have to pay to Visakha? Also give the journal entry for endorsement in the books of Radha. 5
12. Kapil purchased goods for Rs. 21,000/- from Gaurav on 1.2. 2006 and accepted a bill of exchange drawn by Gaurav for the same amount. The bill was payable after one month. On 25.2.2006 Gaurav sent the bill to his bank for collection. The bill was duly presented by the bank. Kapil dishonoured the bill and the bank paid Rs. 100/- as noting charges. Record the necessary journal entries for the above transactions in the books of Kapil and Gaurav. 6

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