



विद्या सर्वार्थ साधिका

ANANDALAYA

PERIODIC TEST 3

Class : XI

Subject : Accountancy

Date : 04-01-2023

M.M : 40

Time : 2 Hours

General Instructions:

1. There are 16 questions in the question paper.
2. Question No. 1 to 10 are very short answer type questions carrying 1 mark each.
3. Question No. 11 to 13 are short answer type–II questions carrying 4 marks each.
4. Question No. 14 to 16 are long answer type–I questions carrying 6 marks.

1. RM & Sons gets a contract of ₹200 crore to build a dam to be completed in 4 years. The management wants to ascertain profit or loss on this contract only when it is completed. Is the management correct? Justified your answer. (1)
2. An amount of ₹5,500 received from Anand is credited to the account of Roshni as ₹5,000. It is an error of _____ . (1)
(A) commission (B) omission
(C) principle (D) compensating error
3. _____ type of liability come last in the liability side of the Balance Sheet as per order of permanence. (1)
4. The term _____ is used in the context of extraction of natural resources like mines, quarries, etc., that reduces the availability of the quantity of the material or assets. (1)
(A) Depreciation (B) Depletion
(C) Amortisation (D) Write off
5. Dominico Ltd. made a purchase of goods for ₹ 10,00,000. During the year, it sold 80% of such goods. The market price of remaining goods was ₹1,50,000. At the year end, company valued the stock at cost. Which principle is ignored in it? (1)
(A) Conservatism (B) Matching
(C) Revenue Recognition (D) Accrual
6. Which of the following is correct? (1)
(A) Operating Profit = Net profit - Non operating Expenses - Non operating Income
(B) Operating Profit = Net profit + Non operating Expenses + Non operating Income
(C) Operating Profit = Net profit + Non operating Expenses - Non operating Income
(D) Operating Profit = Net profit - Non operating Expenses + Non operating Income
7. Assertion (A): Financial statements are the summarised statements that give information as to the profitability and financial position of the company. (1)
Reason (R): Statement of Profit and Loss given the information as to net profit or net loss for the year while Balance Sheet gives information of the financial position of the company as at that date.
Choose one of the correct alternatives given below:
(A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
(B) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A)
(C) Assertion (A) is true but Reason (R) is False.
(D) Assertion (A) is False but Reason (R) is True.

8. Naresh purchased goods of ₹10,000 kg. He recorded only quantity in the purchase purchase book. Which accounting principle is violated by Naresh. (1)
 (A) Money measurement concept (B) Business entity concept
 (C) Consistency concept (D) Materiality concept
9. Naresh sold goods for ₹20,000 (half for cash and half on credit). He recorded both cash and credit sales in his books of accounts. Which basis of Accounting is followed by him? (1)
 (A) Cash basis of accounting (B) Accrual basis of accounting
 (C) Credit basis of accounting (D) Tax Accounting
10. Naresh recorded furniture at ₹50,000 ignoring market value of furniture ₹60,000. Identify the accounting principle applied here. (1)
 (A) Matching concept (B) Cost concept
 (C) Money Measurement concept (D) Materiality concept
11. Explain giving examples the different types of errors that are usually committed in recording business transaction? (4)
12. (a) Distinguish between Provision and Reserve. (4)
- (b) On 1st April 2017, Grand Ltd. Purchased a machinery for ₹3,00,000 and incurred 24,000 towards freight and ₹6,000 towards installation charges. It has estimated the the machinery will have a scrap value of ₹ 30,000 at the end of its useful life which is four years. Calculate depreciation for the year and also calculate the value of machinery after four years according to Straight line Method.
13. (a) State whether the following expenditure are capital or revenue in nature. (4)
 (I) Payment of rent ₹50,000
 (II) Custom duty ₹10,000 paid on import of a machine.
 (III) Air conditioning of the office of the director ₹1,00,000.
 (IV) Annual Insurance premium paid on car ₹ 1,000
- (b) Calculate Closing Stock and Cost of Goods sold from the given information:
 Opening Stock ₹5,000; Sales ₹16,000; Carriage Inward ₹1,000; Sales Return ₹1,000;
 Gross profit ₹6,000; Purchase ₹10,000; Purchase Return ₹900.
14. Trial balance of Anita did not agree and she put the difference to suspense account. She discovered the following errors (6)
 (i) Sales return book overcast by ₹ 8,175.
 (ii) Goods sold to Mitu for ₹ 5,850 have been wrongly entered in the sales book as ₹ 8,550.
 (iii) Installation charges on new machinery purchased ₹ 1,750 were debited to sundry expenses account as ₹ 175.
 (iv) Rent paid for residential accommodation of Anita (the proprietor) ₹ 5,200 was debited to rent account as ₹ 5,000.
 Rectify the errors and prepare suspense account to ascertain the difference in trial balance.

15. Gamma Ltd. Has the following balances on 1st April, 2016: (6)
- Machinery A/c ₹ 3,00,000
 Provision for Depreciation A/c ₹ 1,35,000
 Depreciation was charged @10% p.a. on straight line method and accounts were closed on 31st March each year.
 On 1st January, 2017, a part of machinery bought for ₹ 80,000 on 1st July, 2013 was sold for ₹ 37,000 and a new machinery was purchased for ₹ 1,00,000 on the same date.
 Prepare Machinery A/c and Provision for Depreciation A/c for the year 2016-17.

OR

On 1st October, 2014, Assam Transport Co. Brought a Truck for ₹5,00,000. On 1st July, 2016, this truck met with an accident and was destroyed completely. Insurance Company admitted the claim and paid ₹ 3,00,000. On the same date, another truck was purchased by the company at a cost of ₹ 4,50,000. Company writes off depreciation at 20% p.a. on written down value method. Prepare Truck Account for three years assuming accounts are closed on 31st March each year.

16. The Trial Balance of M/s Excel Ltd. Shows the following balances as at 31st March, 2021: (6)

Dr. Balances	₹	Cr. Balance	₹
Purchases	60,000	Capital	1,13,075
Sales Returns	1,500	Sales	1,27,000
Plant & Machinery	90,000	Purchase Returns	1,275
Opening Stock	40,000	Discount Received	800
Discount Allowed	350	Sundry Creditors	20,000
Bank Charges	100	Bills Payable	5,000
Sundry Debtors	45,000		
Salaries	7,000		
Wages	10,000		
Fright Inward	1,000		
Freight Outward	1,200		
Rent, Rates and Taxes	2,000		
Advertisement	2,000		
Cash at Bank	7,000		
	2,67,150		2,67,150

Gross Profit earned by the firm ₹50,775. Closing Stock was valued at ₹35,000. Prepare Profit and Loss Account for the year ended 31st March, 2021 and the Balance Sheet as at that date.