# St. Mary's School, Dwarka <br> Holiday Homework 

## Class XI

## Subject: Accountancy

## Worksheet 1

Q. 1 Mr. Khanna is the owner of a theatre. He spent Rs.5,00,000 for increasing the seating capacity of the theatre. Where will it be shown and why?
Q. 2 Ms. Riti, an electronic goods dealer, gifted a washing machine valued Rs.25,000 to her friend Suchi. Will it be recorded in the books of accounts? Give reason.
Q. 3 Why is the evidence provided by source documents important to accounting?
Q. 4 Distinction between cash basis and accrual basis of accounting

1. Reliability
2. Profit and loss
3. Suitability
Q. 5 Classify the following into real, personal and nominal accounts:-
a) Goodwill
b) Sales
c) Cash
d) Prepaid salary
e) Carriage inward
f) Commission received in advance
g) Drawings
h) Outstanding wages.
Q. 6 i) X Ltd. gets a contract of Rs. 100 crore to build a shopping mall to be completed in 3 years. The management of the company wants to ascertain profit or loss on this contract only when the contract is completed. Is the management justified? Explain the concerned principle.
ii) During the year, the company purchased ballpoint pens of Rs.500. These were issued to employees and were still in use at the end of the year. Which accounting concept you would follow in dealing with this item? Explain.
Q. 7 Prepare an Accounting Equation from the following transactions:
i) Started business with cash Rs. 60,000 and goods worth Rs. 1,30,000.
ii) Goods costing Rs. 24,000 sold at a profit of $331 / 3 \%$. $1 / 4$ th of the payment is received in cash.
iii) Paid Rent Rs. 3,000 including Rs. 2,000 in advance.
iv) Accrued interest Rs.1,000
Q. 8 Prepare Two Column Cash Book from the following transactions :

2019
Jan. 1 Cash in hand Rs.20,000 and Bank overdraft Rs.15,000
Jan. 2 Discounted a 3 month's maturity bill for Rs.8,000 at $2 \%$ p.a. through bank.
Jan. 10 Purchased 100 war bonds for Rs. 100 each at Rs. 95 each.
Jan. 15 Cheque received from Ram for Rs.1,000 and discount allowed Rs. 200
Jan. 19 Amount withdrawn from bank Rs.4,000
Jan. 23 Ram's cheque endorsed to Shyam in full settlement of his account of Rs.1,200
Jan. 27 Cheque of Rs.1,800 received from Mohan was dishonoured and bank debited as bank charges for this cheque Rs. 50
Q. 9 Pass Journal entries for the following Transaction:
(a) Purchase goods from Sanjay worth Rs.20, 000 at term 5\% Trade Discount and 10\% cash Discount. Paid amount at the time of Purchase itself.
(b) Sold goods to Amit Rs.60, 000 at terms 5\% cash Discount and 10\% Trade Discount. Half of the amount received by cheque within specified time.
(c) Out of insurance paid this year, Rs. 8,000 is related to next year.
(d) Mahesh who owed us Rs. 75,000 was declared insolvent and 40 paise in a Rupee is received from him in full settlement.

## Worksheet 2

Q. 1 Ajay, a consultant, during the financial year 2015-16 earned Rs.4,00,000. Out of which he received Rs. $3,50,000$. He incurred an expense of Rs. $1,70,000$, out of which Rs. 40,000 are outstanding. He also received consultancy fee relating to previous year Rs. 45,000 and also paid Rs.20,000 expense of last year. Calculate his income for the year if he follows cash basis of accounting.
Q. 2 Is it correct that Bank Reconciliation Statement is prepared once i.e. at the end of the year?
Q. 3 Prepare a bank reconciliation statement from the following particular on $31^{\text {st }}$ March, 2019:
i) Bank statement showed a favourable balance of Rs $12,400$.
ii) Cheques amounting to Rs. 45000 were drawn on $27^{\text {th }}$ March, 2019 of which cheques of Rs. 33000 were encashed on $2^{\text {nd }}$ April, 2019.
iii) Cheque issued returned on technical grounds Rs. 4000.
iv) Bank recorded a cash deposit of Rs. 3210 as Rs. 3120 .
v)Bill for collection not advised by the bank but credited to our account Rs. 8000 .
vi) A bill for Rs. 10000 was retired by the bank under a rebate of Rs. 200 but the full amount of the bill was credited in the bank column of the cash book.
Q. 4 Following Transactions were recorded in the books of Hafsa:-

2019
March 1 Sold to Alok Light House:-
50 Tubelights @ `50 each 20 Heaters @ `100 each
Less: $20 \%$ T.D.
March 5 Purchased from Cheshta Electricals:-
25 Table Fans @ `400 each 20 Ceiling Fans @ `500 each
March 10 Saurav \& Sons purchased from us:-

## 80 Dozen Bulbs @ `90 per Dozen

March 12 Purchased from Muskan one Typewriter for ${ }^{`} 6,000$ on credit, for office use.
March 16 Sri Ram \& Sons sold to us:-
10 Electric Irons @ `180 each Less: \(10 \%\) T.D. March 20 Alok Light House returned:- 5 Tubelights sold on March 1. March 22 Returned 3 Table fans to Cheshta Electricals. March 25 Returned to Shri Ram \& Sons 2 Electric Irons purchased on March 16. You are required to prepare (i) Purchase Book; (ii) Sales Book; (iii) Purchase Return Book; (iv) Sales Return Book and (v) Journal Proper. Q. 5 Pragya Ltd. bought a machinery worth ` $1,00,000$ on 1st July, 2013 and purchased another machinery on $1^{\text {st }}$ October, 2013 for ${ }^{`} 1,50,000$. On 1st October, 2015, $1 / 4$ th part of machinery purchased on 1st July, 2013 was sold for ${ }^{`} 12,000$. Prepare the machinery account in books of Pragya Ltd. till 31st March, 2016 when depreciation is charged @ $10 \%$ p.a. by original cost method.
Q. 6 On 31 ${ }^{\text {st }}$ December, 2018 the Pass Book of Mr. W showed a credit balance of Rs.25,000. Prepare a Bank Reconciliation Statement from the following information:
(i) Out of total cheques amounting to Rs.12,000 deposited, cheques aggregating Rs.7,500 were credited in December, 2016, cheques aggregating Rs.2,000 were credited in January, 2019 and the rest have not been collected at all.
(ii) A post dated cheque for Rs. 900 has been debited in the bank column of cash book but it could not have been presented in any case.
(iii) A Bill payable of Rs. 10,000 was retired by the bank under a rebate of Rs. 200 but the full amount of the bill was credited in the cash book.
(iv) The credit balance of Rs.1,500 as on Page 10 of the Pass book was recorded on Page 11 as debit balance.
(v) A cheque of Rs.13,300 paid into bank was returned dishonoured but no intimation was received frorn the bank till December 2016.
(vi) Withdrawal column of the cash book had been undercast by Rs.1,000.
Q. 7 The following Balances appear in the books of Zee Ltd. as on $1^{\text {st }}$ April, 2016:
Machinery Account
Rs. 5,00,000
Provision for Depreciation Account
Rs.1,16,000

The machinery was depreciated at $20 \%$ p.a. on written down value method. On $1^{\text {st }}$ October 2016, a machinery which was purchased on $1^{\text {st }}$ April, 2014 for Rs.1,00,000 was sold for Rs. 60,000 and on the same date a fresh machinery was purchased for Rs.50,000. Prepare the Machinery account and Provision for depreciation account for the year 2016-2017.
Q. 8 Correct the following Trial Balance as on $31^{\text {st }}$ March, 2016 :

| Heads of Accounts | Dr. (Rs.) | Cr.(Rs.) |
| :--- | :--- | :--- |
| Furniture | 20,000 | - |
| Capital | - | $2,00,000$ |
| Debtors | $2,00,000$ | - |
| Stock (1 ${ }^{\text {st }}$ April,2015) | $1,04,000$ | - |
| Creditors | - | 80,000 |
| Trade Expenses | 50,000 | - |
| Sales | - | $8,58,000$ |
| Wages | 30,000 | - |
| Stock ( 31 ${ }^{\text {st }}$ March, 2016) | 98,000 | - |
| Machinery | - | 50,000 |
| Purchases | $6,25,000$ | - |
| Wife's loan to the business | 50,000 | - |
| Discount allowed | - | 4,000 |
| Drawings made by the proprietor | - | 45,000 |
| Motor van | 60,000 | - |
| Total | $\underline{12,37,000}$ | $\underline{12,37,000}$ |

## Worksheet 3

Q. 1 A Bill of Exchange was drawn on $11^{\text {th }}$ July, 2013. Its term was 1 month. What will be the date of maturity?
Q. 2 Identify the value involved in classifying the expenditure into capital and revenue.
Q. 3 Give a formula to calculate Operating profit from Net profit.
Q. 4 Trial balance of Mr. Rohan contains the following information:

| Particulars | Dr. (₹) | Cr. (₹) |
| :--- | :--- | :--- |
| Debtors | 50,000 |  |
| Bad debts | 2,500 |  |
| Discount allowed | 4,500 |  |

It is decided to create a provision for doubtful debts @ 10\% on debtors and a provision for discount on debtors @ $2 \%$. Show how the adjustment will appear in the final accounts.
Q. 5 Give journal entries for the following adjustments in final accounts.
(i) Commission earned but not received $\begin{gathered} \\ 2,400\end{gathered}$.
(ii) Interest on drawings `750 . (iii) Closing stock costing` 8,000 (market value ` 9,900 ).
Q. 6 Aman keeps incomplete records. His position was as follows:

|  | $\mathbf{1 . 1 . 2 0 1 8}$ | $\mathbf{3 1 . 1 2 . 2 0 1 8}$ |
| :--- | ---: | :---: |
| Cash in Hand | 10,000 | 36,000 |
| Cash at Bank | $1,00,000$ | 90,000 |
| Stock in Trade | 40,000 | 30,000 |
| Sundry Debtors | 20,000 | 80,000 |
| Car | -- | 80,000 |
| Creditors | 10,000 | 46,000 |
| Bills Receivable | 20,000 | 24,000 |
| Bills Payable | 4,000 | 42,000 |
| Furniture | 8,000 | 48,000 |
| Investment | 40,000 | 50,000 |

The following adjustments are to be made :
(i) Proprietor withdrew cash Rs.5,000 per month for private use.
(ii) Depreciation @ $5 \%$ on car and $10 \%$ on furniture.
(iii) Outstanding Rent Rs.6,000
(iv) Fresh Capital introduced during the year Rs.30,000

Find his profit or Loss for the year ending December 31, 2018.
Q. $7 \quad$ P accepted a draft for Rs. 40,000 drawn on him by Q on $1^{\text {st }}$ May, 2018 for 3 months. This was for the amount which P owed Q. Q got the bill discounted at his bank for Rs.39,000. Just before the due date, P approached Q for renewal of bill. Q agreed on the condition that Rs.10,000 be paid immediately together with interest on the remaining amount at $12 \%$ p.a. for 3 months and that for the remaining balance P should accept a new bill for 3 months. P retired the new bill under a rebate of $10 \%$ p.a. one month before maturity. Pass journal entries in the books of $\mathrm{P} \& \mathrm{Q}$.
Q. 8 The following Trial Balance was extracted as on $31^{\text {st }}$ December 2018:

| Particulars | Rs. | Particulars | Rs. |
| :--- | :--- | :--- | :--- |
| Drawings | 3,000 | Rates, taxes and Insurance | 2,891 |
| Debtors | 201,00 | Advertisement | 3,264 |
| Interest on loan | 300 | General Expense | 3,489 |
| Cash | 2,050 | Bills Receivable | 6,882 |
| Opening stock | 6,839 | Capital | 28,000 |
| Motor Vehicles | 10,000 | Creditors | 10,401 |
| Bank | 3,555 | Loan on mortgage | 9,500 |
| Building | 12,000 | Provision for doubtful debt | 710 |
| Bad Debts | 525 | Sales | $1,10,243$ |
| Purchases | 66,458 | Purchase Return | 1,346 |
| Sales Return | 7,821 | Discount received | 540 |
| Carriage outward | 2,404 | Bills payable | 2,614 |
| Carriage inward | 2,929 | Rent Received | 250 |
| Salaries | 9,097 |  |  |
|  |  |  |  |

Prepare Trading and Profit \& Loss Account for the year 31 ${ }^{\text {st }}$ December 2018 and Balance Sheet after making adjustments for the following:
(i) Stock on $31^{\text {st }}$ December, 2016 was Rs. 6,250
(ii) Provision for Doubtful Debts is to be maintained @ $5 \%$.
(iii) Provision for Depreciation on Building at $2.5 \%$ p.a. and Motor vehiclle at $20 \%$ p.a.
(iv) Insurance prepaid was Rs. 150.
(v) Interest on Loan at $6 \%$ p.a. is unpaid for six months
(vi) Salaries amounted to Rs.750and Rates amounted to Rs. 350 are outstanding

Provide for manager's commission at $10 \%$ on net profits after charging such commission.

