

# QB365 Question Bank Software Study Materials

## Rectification of Errors Important 2, 3 & 5 Marks Questions With Answers (Book Back and Creative)

11th Standard

Accountancy

Total Marks : 75

### 2 Marks

10 x 2 = 20

1) The following errors were detected before the preparation of trial balance. Rectify them.

- (a) Sales book is undercast by Rs. 100
- (b) Sales book is overcast by Rs. 200
- (c) Purchases book is undercast by Rs. 300
- (d) Purchases book is overcast by Rs. 400

**Answer :** (a) Sales account should be credited with Rs. 100  
(b) Sales account should be debited with Rs. 200  
(c) Purchases account should be debited with Rs. 300  
(d) Purchases account should be credited with Rs. 400

**Tutorial Note:**

(a) In this case, the sales book is undercast by Rs. 100. The total of sales book is posted to the credit side of sales account in the ledger. The undercasting has resulted in undercrediting of sales account by Rs. 100. This is an error of commission. The error is only in sales account. There is short credit in sales account by Rs. 100. Hence, it is rectified by crediting sales account by Rs. 100.

2) The following errors were detected before preparation of trial balance. Rectify them.

- (a) Purchases returns book is undercast by Rs. 500.
- (b) Purchases returns book is overcast by Rs. 600.
- (c) Sales returns book is undercast by Rs. 700.
- (d) Sales returns book is overcast by Rs. 800.

**Answer :** (a) Purchases returns account should be credited with Rs. 500  
(b) Purchases returns account should be debited with Rs. 600  
(c) Sales returns account should be debited with Rs. 700  
(d) Sales returns account should be credited with Rs. 800

3) The following errors were detected before preparation of trial balance. Rectify them.

- (a) The total of purchases book is carried forward to the next page Rs. 100 short.
- (b) The total of purchases returns book is carried forward to the next page Rs. 200 excess.
- (c) The total of sales book is carried forward to the next page Rs. 300 excess.
- (d) The total of sales returns book is carried forward to the next page Rs. 400 short.

**Answer :** (a) Purchases account should be debited with Rs. 100.  
(b) Purchases returns account should be debited with Rs. 200.  
(c) Sales account should be debited with Rs. 300.  
(d) Sales returns account should be debited with Rs. 400.

4) The following errors were detected before preparation of trial balance. Rectify them.

- (a) The total of rent received account is carried forward Rs. 900 short.
- (b) The total of rent received account is carried forward Rs. 1,000 excess.
- (c) The total of salary account is carried forward Rs. 1,100 short.
- (d) The total of salary account is carried forward Rs. 1,200 excess

**Answer :** (a) Rent received account is to be credited with Rs. 900  
(b) Rent received account is to be debited with Rs. 1,000  
(c) Salary account is to be debited with Rs. 1,100  
(d) Salary account is to be credited with Rs. 1,200

5) **What is meant by rectification of errors.**

- Answer :** (i) The correction of accounting errors in a systematic manner is called the rectification of errors.  
(ii) In other words, the process of systematically correcting the accounting errors is known as rectification of errors.

6) What is meant by error of complete omission?

**Answer :** It means the failure to record a transaction in the journal or subsidiary book or failure to post both the aspects in ledger. This error affects two or more accounts.

7) Rectify the following errors discovered before the preparation of the trial balance:

- (a) Sales book was undercast by Rs. 100
- (b) Purchases returns book was overcast by Rs. 200

**Answer :** (a) Sales account should be credited with Rs. 100.  
(b) Purchases returns account should be debited with Rs. 200.

8) Rectify the following errors assuming that the trial balance is yet to be prepared:

- (a) Sales book was undercast by Rs.400
- (b) Sales returns book was overcast by Rs.500
- (c) Purchases book was undercast by Rs.600
- (d) Purchases returns book was overcast by Rs.700
- (e) Bills receivable book was undercast by Rs.800

**Answer :**

| S.NO. | PARTICULARS   | L.F. | DEBIT<br>RS | CREDIT<br>RS |
|-------|---|------|-------------|--------------|
| (a)   | Suspense A/c<br>To Sales A/c<br>(Being Sales books was short by Rs 400, now rectified)                              | Dr.  | 400         | 400          |
| (b)   | Suspense A/c<br>To Sales return A/c<br>(Being Sales return book was short by . Rs 500, now rectified)               | Dr.  | 500         | 500          |
| (c)   | Purchases A/c<br>To<br>Suspense A/c<br>(Being purchases book was undercast by Rs 600, now rectified)                | Dr.  | 600         | 600          |
| (d)   | Purchases return A/c<br>To<br>Suspense A/c<br>(Being purchase return book was. overcast by Rs 700, now rectified)   | Dr.  | 700         | 700          |
| (e)   | Bills receivable A/c<br><br>To Suspense A/c<br>(Being bills receivable book was undercast by Rs 800, now rectified) | Dr.  | 800         | 800          |

## Journal Entries

- 9) Pass necessary journal entries to rectify the following errors located after the preparation of trial balance:
- (a) Sales book was undercast by Rs.1,000.
- (b) A amount of Rs.500 paid for wages was wrongly posted to machinery Account.

**Answer :**

| S.NO. | PARTICULARS   | L.F. | DEBIT RS. | CREDIT RS |
|-------|---|------|-----------|-----------|
| (a)   | Suspense A/c<br>To Sales A/c<br>(Being the under casting in the Sales book rectified)                 | Dr.  | 1,000     | 1,000     |
| (b)   | Wages A/c<br>To Machinery A/c<br>(Being wages was wrongly posted to machinery account, now rectified) | Dr.  | 500       | 500       |

Rectification of Errors

10) What is error of commission?

**Answer :** (i) When the accountant has done something which should not have been done, it is known as error of commission.  
(ii) It usually occurs due to lack of concentration or carelessness of the accountant.

**3 Marks**

10 x 3 = 30

11) The following errors were detected before preparation of the trial balance. Rectify them.

- (a) A sum of Rs. 5,000 written off as depreciation on buildings has not been posted to depreciation account.  
(b) Payment of wages Rs. 2,000 to Venkat was posted twice to wages account.  
(c) An amount of Rs. 250 for a credit sale of goods to Nila, although correctly entered in the sales book, has been posted as Rs. 200.

**Answer :** (a) Depreciation account should be debited with Rs. 5,000.  
(b) Wages account should be credited with Rs. 2,000.  
(c) Nila account should be debited with Rs. 50.

12) The following errors were located before the preparation of the trial balance. Rectify them.

- (a) Goods sold to Anand for Rs. 1,000 on credit was not entered in the sales book.  
(b) An amount of Rs. 400 paid for repairs to the machinery stands wrongly posted to machinery account.  
(c) Salaries Rs. 2,000 paid to Gandhiraj was wrongly debited to his personal account in the ledger.

**Answer :** Rectifying entries

|   | PARTICULARS  | L.F. | DR.   | CR.   |
|---|--|------|-------|-------|
| a | Anand A/c<br>To Sales A/c<br>(Being the sale of goods to Anand not entered in sales book, now rectified)             | Dr.  | 1,000 | 1,000 |
| b | Repairs A/c<br>To Machinery A/c<br>(Being the repairs wrongly debited to machinery account, now rectified)           | Dr.  | 400   | 400   |
| c | Salaries A/c<br>To Gandhiraj A/c<br>(Being salaries paid to Gandhiraj wrongly debited to his account, now rectified) | Dr.  | 2,000 | 2,000 |

Note: Method of deriving the rectifying entries

|   | WRONG ENTRY                                     | CORRECT ENTRY                                   | RECTIFYING ENTRY                                  |
|---|---|---|---|
| a | Nil<br>(Complete Omission)                      | Anand A/c Dr.<br>1,000<br>To Sales A/c<br>1,000 | Anand A/c Dr. 1,000<br>To Sales A/c 1,000         |
| b | Machinery A/c Dr. 400<br>To Cash A/c 400        | Repairs A/c Dr. 400<br>To Cash A/c 400          | Repairs A/c Dr. 400<br>To Machinery A/c<br>400    |
| c | Gandhiraj A/c Dr.<br>2,000<br>To Cash A/c 2,000 | Salary A/c Dr. 2,000<br>To Cash A/c 2,000       | Salary A/c Dr. 2,000<br>To Gandhiraj A/c<br>2,000 |

13) The following errors were located at the time of preparation of the trial balance. Rectify them.

- (a) Sale of goods to Akila on credit for Rs. 1,520 posted to her account as Rs. 1,250.

- (b) Bought goods from Narendran on credit for Rs. 5,500, credited to his account as Rs. 5,050.  
 (c) Purchase of furniture from Ravivarman for Rs. 404 on credit were debited to furniture account as Rs. 440.  
 (d) Purchased machinery for cash Rs. 2,000 was not posted to machinery account.  
 (e) The total of purchases book Rs. 899 was carried forward as Rs. 989.

**Answer :** (a) Akila account should be debited with Rs. 270

- (b) Narendran account should be credited with Rs. 450  
 (c) Furniture account should be credited with Rs. 36  
 (d) Machinery account should be debited with Rs. 2,000  
 (e) Purchases account should be credited with Rs. 90

14) The following errors were located at the time of preparation of the trial balance. Pass rectifying entries.

- (a) Goods of the value of Rs. 100 returned by Bhuvana were included in stock, but no entry was made in the books.  
 (b) Sale of goods to Mani on credit for Rs. 475 has been wrongly entered in the sales book as Rs. 745.  
 (c) A cheque of Rs. 500 received from Sandhiya was dishonoured and debited to allowances account.  
 (d) A sum of Rs. 300 drawn by the proprietor for personal use was debited to wages account.

**Answer :**

|   | PARTICULARS   |     | L.F. | DR. | CR. |
|---|---|-----|------|-----|-----|
| a | Sales Returns A/c   | Dr. |      | 100 |     |
|   | To Bhuvana A/c  |     |      |     | 100 |
|   | (Goods returned by Bhuvana not entered in the books, now rectified)                                 |     |      |     |     |
| b | Sales A/c   | Dr. |      | 270 |     |
|   | To Mani A/c   |     |      |     | 270 |
|   | (Goods sold to Mani for Rs 475 wrongly entered in the sales book as Rs 745, now rectified)          |     |      |     |     |
| c | Sandhiya A/c  | Dr  |      | 500 |     |
|   | To Allowances A/c   | Dr  |      |     | 500 |
|   | (Dishonour of cheque received from Sandhiya wrongly debited to allowances A/c, now rectified)       |     |      |     |     |
| d | Drawings A/c  | Dr  |      | 300 |     |
|   | To Wages A/c  |     |      |     | 300 |
|   | (Cash drawn by the proprietor for his personal use wrongly debited to wages account, now rectified) |     |      |     |     |

Note: Method of deriving the rectifying entries

|   | WRONG ENTRY                               | CORRECT ENTRY                                   | RECTIFYING ENTRY                                |
|---|---|---|---|
| a | ---                                       | Sales Returns A/c Dr. 100<br>To Bhuvana A/c 100 | Sales Returns A/c Dr. 100<br>To Bhuvana A/c 100 |
| b | Mani A/c Dr. 745<br>To Sales A/c 745      | Mani A/c Dr. 475<br>To Sales A/c 475            | Sales A/c Dr. 270<br>To Mani A/c 270            |
| c | Allowances A/c Dr. 500<br>To Bank A/c 500 | Sandhiya A/c Dr. 500<br>To Bank A/c 500         | Sandhiya A/c Dr. 500<br>To Allowances A/c 500   |
| d | Wages A/c Dr. 300<br>To Cash A/c 300      | Drawings A/c Dr. 300<br>To Cash A/c 300         | Drawings A/c Dr. 300<br>To Wages A/c 300        |

15) Write a note on suspense account.

**Answer :** (i) When the trial balance does not tally, the amount of difference is placed to the debit (when the total of the credit column is higher than the debit column) or credit (when the total of the debit column is higher than the credit column) to a temporary account known as 'suspense account'.

(ii) Suspense account will remain in the books until the location and rectification of errors.

(iii) If all the errors are located and rectified, the suspense account gets closed.

16) What are the errors not disclosed by a trial balance?

**Answer :** Certain errors will not affect the agreement of trial balance. Though such errors occur in the books of accounts, the total of debit and credit balance will be the same. The trial balance will tally.

**Examples of such errors are as follows:**

- (i) Treating revenue expenditure as capital expenditure
- (ii) Omitting a transaction completely
- (iii) Entering a transaction in a wrong subsidiary book
- (iv) Entering a transaction twice in a subsidiary book or journal
- (v) Entering the amount of a transaction wrongly in the journal
- (vi) Entering the amount of a transaction wrongly in a subsidiary book.

17) What are the errors disclosed by a trial balance?

**Answer :** Certain errors affect the agreement of trial balance. If such errors have occurred in the books of accounts, the total of debit and credit balances will not be the same. The trial balance will not tally.

**Examples of such errors are follows:**

- (i) Entered in the journal but posted to one account and omitted to be posted to the other.
- (ii) Posting an amount to the wrong side of a ledger account
- (iii) Posting twice in a ledger account
- (iv) Over-casting or Under-casting in a subsidiary book
- (v) Posting a wrong amount to the correct side of an account
- (vi) Posting a wrong amount to the wrong side of an account
- (vii) Errors arising in carrying forward the page total from one page to the next page of an account or subsidiary book.
- (viii) Errors arising in the balancing of an account.
- (ix) Omission to post an entry from a subsidiary book.

18) Write a note on one-sided errors and two sided errors.

**Answer : One-sided errors :**

- (i) When one-sided error is detected before preparing the trial balance, no journal entry is required to be passed in the books. .
- (ii) In such cases, the error can be rectified by giving an explanatory note in the account affected as to whether the concerned account is to be debited or credited.

**Two-sided errors :**

When two-sided error is detected before preparing the trial balance, it must be rectified by passing a rectifying journal entry in the journal proper after analysing the error.

19) Rectify the following errors.

- (i) The Sales book of December was added short by Rs. 500.
- (ii) A periodical total of the Purchases book was short by Rs. 5,000.
- (iii) The total of Purchases return Book has been undercast by Rs. 1,500.
- (iv) The Sales return book is added Rs. 200 short.

**Answer :**

| S.NO. | PARTICULARS   |     | L.F. | DEBIT RS | CREDIT RS |
|-------|---|-----|------|----------|-----------|
| (i)   | Suspense A/c  | Dr. |      | 500      |           |
|       | To Sales A/c  |     |      |          | 500       |
|       | (Being sales book was added short, now rectified)           |     |      |          |           |
| (ii)  | Purchases A/c   | Dr. |      | 5,000    |           |
|       | To Suspense A/c   |     |      |          | 5,000     |
|       | (Being purchases book was undercast, now rectified)         |     |      |          |           |
| (iii) | Suspense A/c  | Dr. |      | 1,500    |           |
|       | To Purchases return A/c                                     |     |      |          | 1,500     |
|       | (Being purchases return book was cast short, now rectified) |     |      |          |           |
| (iv)  | Sales return A/c  | Dr. |      | 200      |           |
|       | To Suspense A/c   |     |      |          | 200       |
|       | (Being sales return book was undercast, now rectified)      |     |      |          |           |

Rectification of errors

20) Mention any five of the steps to be followed to locate errors after preparing trial balance.

**Answer :** While preparing trial balance, if it does not tally, it is an indication of presence of errors in the books of accounts.

The difference in trial balance is transferred to suspense account and then errors are to be located and rectified.

- i) The following are the steps to be followed to locate errors after preparing trial balance:
- ii) The totals of debit and credit columns of trial balance are to be checked.
- iii) The balances of various ledger accounts shown in the trial balance are to be checked to ensure whether they are shown in the respective columns (debit or credit).
- iv) The difference in the trial balance must be halved and compared with balances of ledger to verify whether any ledger balance is recorded on the wrong side of the trial balance.
- v) The totals of all the subsidiary books are to be checked, especially if the difference is Rs.100 etc.
- vi) If the difference is divisible by '9', the difference may be due to transposition of figures in the books. (Writing Rs.127 as Rs. 172). Hence, the possibilities of transposition of figures shall be checked.

**5 Marks**

5 x 5 = 25

21) The following errors were located after the preparation of the trial balance. Rectify them.

- (a) Paid Rs. 50 to Anitha was wrongly debited to Vanitha account.
- (b) Sale of furniture for Rs. 500 was credited to sales account.
- (c) Purchased goods from Natarajan on credit for Rs. 750 were wrongly passed through sales book.
- (d) Wages Rs. 1,000 paid on erection of machinery was debited to wages account.

**Answer :**

|   | PARTICULARS  |    | L.F. | DR.   | CR.   |
|---|--|----|------|-------|-------|
| a | Anitha A/c   | Dr |      | 50    |       |
|   | To Vanitha A/c   |    |      |       | 50    |
|   | (Amount paid to Anitha wrongly debited to Vanitha account, now rectified)              |    |      |       |       |
| b | Sales A/c  | Dr |      | 500   |       |
|   | To Furniture A/c   |    |      |       | 500   |
|   | (Sale of furniture wrongly credited to sales account, now rectified)                   |    |      |       |       |
| c | Purchases A/c  | Dr |      | 750   |       |
|   | Sales A/c  | Dr |      | 750   |       |
|   | To Natarajan A/c   |    |      |       | 1,500 |
|   | (Purchases from Natarajan wrongly passed through sales book, now rectified)            |    |      |       |       |
| d | Machinery A/c  | Dr |      | 1,000 |       |
|   | To Wages A/c   |    |      |       | 1,000 |
|   | (Wages paid for erection of machinery wrongly debited to wages account, now rectified) |    |      |       |       |

22) A book-keeper finds that the debit column of the trial balance is short by Rs.308 and the difference is put to a suspense account.

Subsequently, the following errors were located.

- (a) An entry for sale of goods on credit for Rs.102 to Mekala was posted to her account as Rs.120.
- (b) Rs.100 being the monthly total of discount allowed to customers was credited to discount received account in the ledger.
- (c) Rs.275 paid by Mannan was credited to Kannan account.
- (d) Rs. 26 appearing in the cash book as paid for the purchase of stationery for office use has not been posted to ledger.
- (e) The purchases book was undercast by Rs.100.

Rectify the errors and prepare suspense account.



**Answer :**

|   | <b>PARTICULARS</b>   |          | <b>L.F.</b> | <b>DR.<br/>RS</b> | <b>CR.<br/>RS</b> |
|---|--|----------|-------------|-------------------|-------------------|
| a | Suspense A/c<br>To Mekala A/c<br>(Excess amount posted to Mekala account rectified)  | Dr       |             | 18                | 18                |
| b | Discount allowed A/c<br>Discount received A/c<br>To Suspense A/c<br>(Discount allowed wrongly posted to discount received account rectified) | Dr<br>Dr |             | 100<br>100        | 200               |
| c | Kannan A/c<br>To Mannan A/c<br>(Wrong credit to Kannan account instead of Mannan account rectified)  | Dr       |             | 275               | 275               |
| d | Stationery A/c<br>To Suspense A/c<br>(Purchase of stationery not posted to stationery account rectified)                                     | Dr       |             | 26                | 26                |
| e | Purchases A/c<br>To Suspense A/c<br>(Undercasting in the purchases book rectified)   | Dr       |             | 100               | 100               |

| <b>PARTICULARS</b> | <b>RS</b> | <b>PARTICULARS</b>          | <b>RS</b> |
|--------------------|-----------|-----------------------------|-----------|
| To Balance<br>b/d  | 308       | By Discount allowed<br>A/c  | 100       |
| To Mekala A/c      | 18        | By Discount received<br>A/c | 100       |
|                    |           | By Stationery A/c           | 26        |
|                    |           | By Purchases A/c            | 100       |
|                    | 326       |                             | 326       |

Dr Suspense Account Cr

- 23) Pass journal entries to rectify the following errors located after the preparation of the trial balance. Assume that there exists a suspense account.
- The total of sales book was undercast by Rs. 2,000.
  - The purchase of machinery for Rs. 3,000 was entered in the purchases book.
  - A credit sale of goods for Rs. 450 to Mathi was posted in his account as Rs. 540.
  - The purchases returns book was overcast by Rs. 200.
  - The total of sales book Rs. 1,122 were wrongly posted in the ledger as Rs. 1,222.



**Answer :**

|   | <b>PARTICULARS</b>   |    | <b>L.F.</b> | <b>DR.</b> | <b>CR.</b> |
|---|--|----|-------------|------------|------------|
| a | Suspense A/c<br>To Sales A/c<br>(Under casting in the sales book rectified)                                  | Dr |             | 2,000      | 2,000      |
| b | Machinery A/c<br>To Purchases A/c<br>(Purchase of machinery wrongly entered in the purchases book rectified) | Dr |             | 3,000      | 3,000      |
| c | Suspense A/c<br>To Mathi A/c<br>(Excess amount posted to the debit of Mathi rectified)                       | Dr |             | 9          | 9          |
| d | Purchase returns A/c<br>To Suspense A/c<br>(Overcasting in the purchase returns book rectified)              | Dr |             | 200        | 200        |
| e | Sales A/c<br>To Suspense A/c<br>(Excess amount carried forward in the sales book rectified)                  | Dr |             | 100        | 100        |

- 24) The accountant of a firm located the following errors after preparing the trial balance. Rectify them assuming that there is a suspense account.
- Machinery purchased for Rs.3,500 was debited to purchases account.
  - Rs.1,800 paid to Raina as salary was debited to his personal account.
  - Interest received Rs.200 was credited to commission account.
  - Goods worth Rs.1,800 purchased from Amudhanila on credit was not recorded in the books of accounts.
  - Used furniture sold for Rs.350 was credited to sales account.

**Answer :**

| S.NO. | PARTICULARS  | L.F. | DEBIT<br>RS. | CREDIT<br>RS. |
|-------|--|------|--------------|---------------|
| (a)   | Machinery A/c<br>Dr.<br><br>To Purchases<br>A/c<br>(Being the<br>Purchase of<br>plant wrongly<br>entered in<br>the purchases<br>book rectified)                  |      | 3,500        | 3,500         |
| (b)   | Salary A/c<br>Dr.<br>To Raina<br>A/c<br>(Being Salaries<br>paid to Raina<br>wrongly<br>debited to<br>his account<br>now rectified)                               |      | 1,800        | 1,800         |
| (c)   | Commission<br>A/c<br>Dr.<br>To Interest<br>Received A/c<br>(Being Interest<br>received Rs.<br>200 was<br>credited<br>to commission<br>account, now<br>rectified) |      | 200          | 200           |
| (d)   | Purchased A/c<br>Dr.<br>To<br>Amudhanila<br>A/c<br>(Being goods<br>purchased was<br>not recorded in<br>the books, now<br>rectified)                              |      | 1,800        | 1,800         |
| (e)   | Sales A/c<br>Dr.<br>To<br>Furniture A/c<br>(Being the<br>credit sale of<br>used furniture<br>credited<br>to sales<br>account, now<br>rectified)                  |      | 350          | 350           |

## Rectification of Errors

25) The books of Raman did not agree. The accountant placed the difference of Rs.1,270 to the debit of suspense account. Rectify the following errors and prepare the suspense account:

(a) Goods taken by the proprietor for his personal use Rs.75 was not entered in the books.

(b) A credit sale of goods to Shanmugam for Rs.430 was credited to his account as Rs. 340.

(c) A purchase of goods on credit for Rs.400 from Vivek was entered in the sales book. However, Vivek's account was correctly credited.

(d) The total of the purchases returns book Rs.300 was not posted.

**Answer :**

| S.NO. | PARTICULARS   | L.F.       | DEBIT<br>RS | CREDIT RS |
|-------|---|------------|-------------|-----------|
| (a)   | Drawing A/c<br>To Purchases A/c<br>(Entry for goods taken by the Proprietor for personal one)                           | Dr.        | 75          | 75        |
| (b)   | Shanmugam A/c<br>To Sales A/c<br>(being goods sold to Shanmugam for Rs. 430 was credited as Rs. 340, now rectified)     | Dr.        | 90          | 90        |
| (c)   | Purchases A/c<br>Sales A/c<br>To Vivek A/c<br>(Correction of wrong Entry in Sale book for a Credit Purchase from Vivek) | Dr.<br>Dr. | 400<br>400  | 800       |
| (d)   | Suspense A/c<br>To Purchase returns A/c<br>(Purchase return book was not posted, now rectified)                         | Dr.        | 300         | 300       |

Rectification of Errors

| PARTICULARS             | AMOUNT RS | PARTICULARS                    | AMOUNT RS |
|-------------------------|-----------|--------------------------------|-----------|
| To Balance A/c          | 1,270     | By Difference in Trial Balance | 1,570     |
| To Purchase returns A/c | 300       |                                |           |
|                         | 1,570     |                                | 1,570     |

Dr. Suspense Account Cr.