



**INDIAN SCHOOL AL WADI AL KABIR
DEPARTMENT OF COMMERCE**

CLASS XI- ASSESSMENT I -2023-24

DATE:17/09/2023

ACCOUNTANCY (055)

MARKS: 80

General Instructions:

1. All questions are compulsory.
2. Read the questions carefully and attempt all the parts of the questions at one place.
3. Question 1 to 20 carries 1 mark each.
4. While answering the MCQ's write the selected option number along with the answer.

1.	Rahul is working as a manager in General Electronics Ltd. Thus, Rahul is (i)_____ user of accounting information. General Electronics Ltd obtained a loan from UTI Bank, the bank is (ii)_____ user of accounting information. A. (i) internal; (ii)internal B. (i) external; (ii) external C. (i) internal; (ii) external D. (i) external; (ii) internal	1
2.	The efficiency of management and workforce improves the earning the of a business, but these factors cannot be recorded in the books of accounts Identify the limitation of accounting described above. A. Ignores qualitative elements B. Leads to window dressing C. Ignores price level changes D. Not free from bias	1
3.	Which one of the following is not a qualitative element of accounting information? A. Relevance B. Understandability C. Realistic D. Comparability	1
4.	Which of the following is not a business transaction? A Purchase goods for resale B. Payment of salary to domestic servant from personal A/c C. Payment of freight while purchasing raw material. D. Payment of installation cost for machinery.	1
5.	A renovation expenses for a movie theatre that will give benefit for next 10 years is a _____. A. Capital expenditure B. Revenue expenditure C. Revenue Receipt D. Deferred Revenue expenditure	1

6.	<p>Assertion: Current assets are those which are held by a business for the purpose of converting them into cash within a period of one year. Reason: Closing Stock is a current asset as it is sold within a short period for cash or on credit.</p> <p>A. Assertion and Reason are correct and Reason is the correct explanation of Assertion. B. Assertion and Reason are correct and Reason is not the correct explanation of Assertion. C. Assertion and Reason both are incorrect. D. Assertion is correct; Reason is incorrect</p>	1
7.	<p>Which of the following is an intangible asset?</p> <p>A. Building B. Goodwill C. Trade Receivables D. Prepaid Expenses</p>	1
	<p>Read the following paragraph and then answer the question no.8 to 10. Mr. Agarwal started a business of readymade garments with a capital ₹ 1,00,000. He purchased goods worth ₹ 30,000 from Praveen and paid him the amount immediately. He sold garments for ₹ 18,000 to Dinesh on credit. Dinesh paid the amount after 2 months. Out of total goods purchased from Praveen, goods of ₹ 1,000 was defective and were returned to him.</p>	1
8.	<p>Which document is used when Mr. Agarwal bought goods worth 30,000 from Praveen?</p> <p>A. Cash Memo B. Invoice C. Cheque D. Receipt</p>	1
9.	<p>Which document will be issued to Dinesh when he paid the price of the goods to Mr. Agarwal?</p> <p>A. Pay in slip B. Receipt C. Cash memo D. Debit Note</p>	1
10.	<p>Which document will be prepared by Mr. Agarwal when he returns the goods to Praveen?</p> <p>A. Debit Note B. Credit Note C. Invoice D. Cheque</p>	1
11.	<p>A motor vehicle of ₹ 1,00,000 is depreciated @10% p.a. for 6 months. What will be the effect of this transaction while preparing accounting equation?</p> <p>A. Decrease Motor vehicle by ₹10,000 and decrease cash by ₹10,000. B. Increase Motor vehicle by ₹5,000 and increase capital by ₹5,000. C. Increase Motor vehicle by ₹5,000 and increase capital by ₹5,000. D. Decrease Motor vehicle by ₹5,000 and decrease capital by ₹5,000.</p>	1
12.	<p>Payment of rent by cheque will have which of the following impact on accounting equation?</p> <p>A. Increase bank and decrease capital</p>	1

	<p>B. Decrease cash and decrease capital C. Increase bank and increase capital D. Decrease bank and decrease capital</p>	
13.	<p>Recording of transaction in a chronological order in a Journal is called as _____.</p> <p>A. Posting B. Journalizing C. Balancing D. Transferring</p>	1
14.	<p>Goods sold to Irfan on credit is posted in the ledger as:</p> <p>A. Debit of Irfan's A/c and credit of sales A/c B. Debit of Cash A/c and credit of sales A/c C. Debit of Sales A/c and credit of Irfan's A/c D. Debit of Sales A/c and credit of cash A/c</p>	1
15.	<p>In a Trial Balance, carriage inward has a (i)___ balance and return inward has a (ii)___ balance.</p> <p>A.(i) debit; (ii) credit B.(i) credit; (ii) debit C.(i) credit; (ii) credit D.(i) debit; (ii) debit</p>	1
16.	<p>Identify the item on which GST is not applied.</p> <p>A. Educational services B. Electronic Goods C. Rent of premises D. Clothes and dress material</p>	1
17.	<p>Gaurav owns his business in Mumbai in Maharashtra sold the goods to Jeet who is from Ahmedabad in Gujrat on 1st January 2023 for ₹25,000 plus Goods and Services Tax.(GST) Name the GST to be collected by Gaurav for the above transaction.</p> <p>A. Output Central Goods and services tax B. Input State Goods and services tax C. Input Integrated Goods and services tax D. Output Integrated Goods and services tax</p>	1
18.	<p>A cheque received from a customer is deposited into the bank on a same day. How will this transaction be recorded in the double column cash book?</p> <p>A. Recorded in the debit side cash column B. Recorded in the debit side of bank column C. Recorded in the credit side of bank column D. Recorded as contra entry</p>	1
19.	<p>Payment of ₹8,500 to Akash in full settlement of ₹10,000 by cash. How will this be shown in a double column cash book?</p> <p>A. Credit side of bank column ₹8,500 B. Debit side of cash column ₹10,000 C. Debit side of bank column ₹8,500 D. Credit side of cash column ₹8,500</p>	1

20.	According to traditional approach, salary is _____ account. A. Personal B. Real C. Nominal D. Capital	1																									
21.	Explain the 3 limitations of accounting.	3																									
22.	Identify the accounting concept involved in each of the following situation: (i) The method selected for depreciating fixed assets is followed year after year. (ii) Business records an anticipated loss in the books of account. (iii) At the end of accounting period the factory rent of ₹10,000 is remaining outstanding.	3																									
23.	Define the following terminologies: (i) Current Liability; (ii) Trade Receivable; (iii) Gain; (iv) Tangible assets	4																									
24.	<p>Following is a ledger A/c in the books of Alan</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: left;">Dr</th> <th colspan="3" style="text-align: right;">Kuldeep's A/c</th> <th style="text-align: right;">Cr</th> </tr> <tr> <th style="width: 15%;">DATE</th> <th style="width: 35%;">PARTICULARS</th> <th style="width: 15%;">₹</th> <th style="width: 15%;">DATE</th> <th style="width: 20%;">PARTICULARS</th> <th style="width: 10%;">₹</th> </tr> </thead> <tbody> <tr> <td>2023 April 1</td> <td>To Balance b/d</td> <td style="text-align: right;">6,000</td> <td>2023 April 10</td> <td>By Bank</td> <td style="text-align: right;">12,000</td> </tr> <tr> <td>April 5</td> <td>To Sales A/c</td> <td style="text-align: right;">20,000</td> <td>April 10</td> <td>By Discount allowed</td> <td style="text-align: right;">1,000</td> </tr> </tbody> </table> <p>(i) Is Kuldeep a debtor or creditor for Alan? (ii) Write the journal entry for transaction on April 10, 2023. (iii) Kuldeep returned goods worth ₹3,000 on 20th April. Post this transaction in the above ledger A/c. (iv) Kuldeep is declared bankrupt at the end of the month and only 50 paise in a rupee was recovered from his estate. Write the journal entry for this transaction.</p>	Dr			Kuldeep's A/c			Cr	DATE	PARTICULARS	₹	DATE	PARTICULARS	₹	2023 April 1	To Balance b/d	6,000	2023 April 10	By Bank	12,000	April 5	To Sales A/c	20,000	April 10	By Discount allowed	1,000	4
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25.	<p>Pass the journal entries in the books of Ranjeet, a retailer</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 15%;">2023 May 1</td> <td>Purchased goods from Amit, List Price ₹ 40,000 at a trade discount of 20% and paid half of the amount after a cash discount of 10%.</td> </tr> <tr> <td>May 4</td> <td>Paid salaries to staff by cheque ₹ 5,000 and by giving away stock of goods costing ₹ 1,000.</td> </tr> <tr> <td>May 8</td> <td>Paid rent to the landlord ₹24,000, half of the building was used by the owner for residential purpose.</td> </tr> <tr> <td>May 10</td> <td>Stock worth ₹ 15,000 (Market price ₹18,000) was stolen, the insurance company accepted the claim to compensate ₹9,000.</td> </tr> </tbody> </table>	2023 May 1	Purchased goods from Amit, List Price ₹ 40,000 at a trade discount of 20% and paid half of the amount after a cash discount of 10%.	May 4	Paid salaries to staff by cheque ₹ 5,000 and by giving away stock of goods costing ₹ 1,000.	May 8	Paid rent to the landlord ₹24,000, half of the building was used by the owner for residential purpose.	May 10	Stock worth ₹ 15,000 (Market price ₹18,000) was stolen, the insurance company accepted the claim to compensate ₹9,000.	6																	
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26.	<p>Prepare a Trial Balance as on 31.3.2023 with the following balances:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 70%;">Purchase</td> <td style="width: 30%; text-align: right;">₹ 5,000</td> </tr> <tr> <td>Bad debt Recovered</td> <td style="text-align: right;">₹ 2,000</td> </tr> </tbody> </table>	Purchase	₹ 5,000	Bad debt Recovered	₹ 2,000	7																					
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Bank overdraft	₹ 1,000
Purchase Return	₹ 500
Salaries outstanding	₹ 3,600
Rent from tenant	₹ 1,800
Debtors	₹ 7,000
Sales	₹ 8,000
Carriage outward	₹ 600
Provision for depreciation	₹ 3,000
Loan Advanced	₹ 2,000
Capital	₹ 12,000

27.	Journalise the following transactions:	8												
	<table border="1"> <tr> <td>June 2023</td> <td>Purchased goods from Anwar of list price ₹50,000 at a Trade Discount of 10% and Cash discount of 10%. IGST @ 10%. Paid half of the amount by cheque immediately.</td> </tr> <tr> <td>6</td> <td></td> </tr> <tr> <td>9</td> <td>Sold goods at marked price of ₹20,000 at a trade discount of 5%. CGST and SGST @5% each.</td> </tr> <tr> <td>12.</td> <td>Returned goods to Anwar of cost price ₹4,000.</td> </tr> <tr> <td>15</td> <td>Sold old furniture at ₹6,000. CGST and SGST @ 5% each.</td> </tr> <tr> <td>20</td> <td>Sold goods costing ₹8,000 to Anurag at a profit of 25%. IGST @10%. Cash discount @10%. Received a cheque from him.</td> </tr> </table>	June 2023	Purchased goods from Anwar of list price ₹50,000 at a Trade Discount of 10% and Cash discount of 10%. IGST @ 10%. Paid half of the amount by cheque immediately.	6		9	Sold goods at marked price of ₹20,000 at a trade discount of 5%. CGST and SGST @5% each.	12.	Returned goods to Anwar of cost price ₹4,000.	15	Sold old furniture at ₹6,000. CGST and SGST @ 5% each.	20	Sold goods costing ₹8,000 to Anurag at a profit of 25%. IGST @10%. Cash discount @10%. Received a cheque from him.	
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28.	Prepare double column cash book from the following details:	10
	2023	
	Aug 1. Cash at office: ₹2,000. Bank overdraft: ₹ 3,000	
	Aug 4. Paid telephone bill ₹600.	
	Aug 9. Sold goods for ₹4000 and put ₹1,000 into bank.	
	Aug 11. Purchased goods costing ₹600, Trade Discount @ 5% and received an invoice.	
	Aug 15. Interest on overdraft debited by bank ₹500.	
	Aug 17. A customer directly deposited ₹4,000 into bank.	
	Aug 18. Insurance paid by bank as per standing instruction ₹1,500	
	Aug 19. Purchased stationary ₹800 and paid 50% of the amount by cash and remaining by cheque.	
	Aug 21. Received a cheque from Devika ₹1,300 in full settlement of ₹1,500.	
	Aug 24. Deposited Devika's cheque into bank.	
	Aug 28. Withdrew from bank to buy groceries for domestic consumption ₹700.	
	Aug 31. Deposited in excess of ₹1000 into bank	

29.	<p>Write the journal entries, post them into ledger and extract the balance to prepare a Trial Balance:</p> <table border="1" data-bbox="186 262 1161 619"> <tr> <td data-bbox="186 262 1161 304">2023</td> </tr> <tr> <td data-bbox="186 304 1161 346">July 1. Started business with cash of ₹15,000 and machinery ₹50,000</td> </tr> <tr> <td data-bbox="186 346 1161 388">July 3. Deposited ₹5,000 into bank.</td> </tr> <tr> <td data-bbox="186 388 1161 430">July 6. Purchased goods from Rahul ₹8,000.</td> </tr> <tr> <td data-bbox="186 430 1161 472">July 10. Sold goods to Rakesh ₹5,000.</td> </tr> <tr> <td data-bbox="186 472 1161 514">July 15. Paid Rahul ₹7,000 in full settlement.</td> </tr> <tr> <td data-bbox="186 514 1161 556">July 30. Machine is depreciated by 10%.</td> </tr> <tr> <td data-bbox="186 556 1161 619">July 31. Received a cheque of ₹2,000 from Rakesh on account.</td> </tr> </table>	2023	July 1. Started business with cash of ₹15,000 and machinery ₹50,000	July 3. Deposited ₹5,000 into bank.	July 6. Purchased goods from Rahul ₹8,000.	July 10. Sold goods to Rakesh ₹5,000.	July 15. Paid Rahul ₹7,000 in full settlement.	July 30. Machine is depreciated by 10%.	July 31. Received a cheque of ₹2,000 from Rakesh on account.	15
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