



INDIAN SCHOOL AL WADI AL KABIR

FIRST UNIT TEST -2023-24 ACCOUNTANCY (055)

Date: 25.05.2023
Class: XI

Time: 1 Hour
Marks: 30

Instructions:

- 1. All questions are compulsory.***
- 2. Read the questions carefully and show all workings clearly.***
- 3. Attempt all the parts of the questions at one place.***
- 4. While answering the MCQ's write the selected option number along with the answer.***

1.	Identify the external user of accounting information that make use of financial data to calculate national income and assess the tax dues from the business concern. A. Creditors B. Government C. Banks & Financial Institutions D. Consumers	1
2.	ASSERTION: Reliability, relevance, understandability, comparability are the qualitative characteristics of accounting information. REASON: Qualitative attributes make the accounting information useful to users. A. Assertion is correct but Reason is wrong. B. Assertion and Reason are both wrong C. Assertion and Reason both are correct but not a correct explanation of Reason. D. Assertion and Reason both are correct and a correct explanation of Reason.	1
3.	Which one of the following is not a limitation of accounting? A. Accounting considers price level changes. B. Accounting ignores qualitative elements. C. Accounting leads to window dressing D. Accounting is not free from bias and the data may inexact.	1

4	<p>Suresh purchased a delivery van for his business which he is estimated to use for next 10 years.</p> <p>Identify the type of expenditure made by Suresh.</p> <p>A .Revenue Expenditure B. Capital Expenditure C. Deferred Revenue Expenditure D. None of the above</p>	1
5.	<p>Goodwill, Copyrights are _____ assets.</p> <p>A. Current Assets B. Liquid Assets C. Intangible Assets D. Tangible Assets</p>	1
6.	<p>Payment of the electric bill of owner's residence by giving a cheque of business's bank Account is called as _____.</p> <p>A. Capital B. Gain C. Loss D. Drawings</p>	1
7.	<p>Rakesh is an accountant, he records the transactions based on accounting documents, so the transactions are verifiable and free from any bias.</p> <p>Which accounting concept is referred to above?</p> <p>A. Consistency B. Objectivity C. Materiality D. Going Concern</p>	1
8.	<p>A business finds some stock is left at the end of the accounting year. The cost at which these items were purchased was ₹ 1,000. The accountant anticipates a rise in demand for the upcoming year and records the value of this stock in the books at ₹ 2.000.</p> <p>Which accounting concept is violated by the accountant?</p> <p>A. Conservatism B. Revenue Recognition C. Business Entity D. Money Measurement</p>	1
9.	<p>The full form of IFRS is _____.</p> <p>A. Indian Financial Reporting Standards B. Indian Financial Result Standards C. International Financial Reporting Standards D. International Financial Result Statement</p>	1

	<p>Read the following paragraph and then answer the question no. 10 to 12.</p> <p>Vaibhav operates a furniture shop selling both wooden and plastic molded furniture. He also offers delivery service for his customers. Vaibhav sold furniture worth ₹ 60,000 during a week to Nitish on credit.</p> <p>After 2 days, Vaibhav deposited the amount into his bank a/c.</p> <p>Nitish found two chairs to be broken and returned it to Vaibhav. Vaibhav acknowledged it and assured Nitish that the amount will be adjusted next time he purchases some item from the shop. Nitish agreed to such condition.</p>	
10.	<p>Which document is issued by Vaibhav when goods are sold to Nitish?</p> <p>A. Cash Memo B. Invoice C. Cheque D. Receipt</p>	1
11.	<p>Identify the document Vaibhav will use while depositing cash into bank?</p> <p>A. Cheque B. Debit Note C. Cash memo D. Pay-in-slip</p>	1
12.	<p>Which document is being issued by Vaibhav when goods are returned by Nitish?</p> <p>A. Debit Note B. Credit Note C. Cheque D. Receipt</p>	1
13.	<p>State any three advantages of accounting?</p>	3
14.	<p>Define the following terms: (i)Cash discount; (ii)Current Liabilities; (iii)Inventory</p>	3
15.	<p>Define with example: (i) Dual Aspect Concept (ii) Full Disclosure Concept</p>	4
16.	<p>Show the accounting equation for the following transactions:</p> <p>(i) Sunil commenced business with cash ₹ 5,000; machinery ₹ 10,000 and Bank Loan ₹4,000. (ii) Machinery is depreciated @10%. (iii) Paid salary ₹700, further outstanding ₹200. (iv) Purchased goods from Ravi for ₹1,500. (v) Paid ₹1,300 to Ravi in full settlement of his dues. (vi) Sold goods costing ₹ 800 for ₹ 900 and received cash from customer, Sandip. (vii) Bank Loan of ₹ 1,000 was repaid.</p>	8