



INDIAN SCHOOL AL WADI AL KABIR

Class: XI	Department: Commerce
Worksheet no: 1	Topic: Accounting Terminologies

I Select the correct alternative:

1. Long term assets without any physical existence but, possessing a value are called

- A) Intangible assets
- B) Fixed assets
- C) Current assets
- D) Investments

2. The assets that can be easily converted into cash within a short period, i.e., 1 year or less are known as

- A) Current assets
- B) Fixed assets
- C) Intangible assets
- D) Investments

3. Copyrights, Patents and Trademarks are examples of

- A) Current assets
- B) Fixed assets
- C) Intangible assets
- D) Investments

4. The debts which are to be repaid within a short period (a year or less) are referred to as,

- A) Current Liabilities
- B) Fixed liabilities

C) Contingent liabilities

D) All the above

5. Which of these best explains fixed assets?

A) Are bought to be used in the business

B) Are expensive items bought for the business

C) Are items which will not wear out quickly

D) Are of long life and are not purchased specifically for resale

6. Discounts received are

A) Buyer of goods granted discount by seller

B) Deducted when we receive cash

C) Given by us when we sell goods on credit

D) None of these

7. The obligations that are to be reimbursed in a brief period (a year or less) are alluded to as,

A) Contingent liabilities

B) Fixed liabilities

C) Current Liabilities

D) All the above mentioned

II. Mr. Arnav started his trading business of Readymade Garments on 15th April, 2022 with ₹ 28,000 of Furniture, ₹ 1,80,000 Bank balance (which was transferred in the name of 'Yours' Choice' a readymade garment shop) and ₹ 45,000 of cash in hand. Arnav purchased readymade dress materials from his suppliers for ₹ 75,000 and of which cash paid ₹ 50,000. The balance amount to be settled after one month. Arnav applied for Bank loan for ₹ 2,00,000 and it is duly sanctioned by Bank for 4 years. He was spent ₹ 22,000 for furniture & Fixtures to decorate his shop. On 30th April, 2022 – there are the following information provided by Mr. Arnav: Readymade

garment sold ₹ 92,000 (including ₹ 42,000 for credit) Unsold amount of readymade garment ₹ 46,000. Mr. Arnav take readymade garment of ₹ 12,000 and cash ₹ 8,000 from his business to his personal requirement. Give the answer for the following questions from the above para:

- (a) Identify and write the name of long-term liabilities of business.
- (b) Identify and write the amount of creditor of business.
- (c) Identify and write amount of capital in the business.
- (d) Write the document which is an evidence of above-mentioned transactions to be recorded in the books of the firm.

III. Mr. Sunrise started a business for buying and selling of stationery with ₹ 5,00,000 as an initial investment. Of which he paid Rs1,00,000 for furniture, Rs 2,00,000 for buying stationery items. He employed a sales person and clerk. At the end of the month he paid Rs 5,000 as their salaries. Out of the stationery bought he sold some stationery for Rs1,50,000 for cash and some other stationery for Rs1,00,000 on credit basis to Mr. Ravi. Subsequently, he bought stationery items of Rs1,50,000 from Mr. Peace. In the first week of next month there was a fire accident and he lost Rs30,000 worth of stationery. A part of the machinery, which cost Rs 40,000, was sold for Rs45,000.

From the above, answer the following:

1. What is the amount of capital with which Mr. Sunrise started business.
2. What are the fixed assets he bought?
3. What is the value of the goods purchased?
4. Who is the creditor and state the amount payable to him?
5. What are the expenses?
6. Who is the debtor? What is the amount receivable from him?
7. Calculate the value of closing stock.

IV Tick the appropriate one:

ITEM	Current Asset	Non Current Asset	Current Liability	Non Current Liability	Expense	Revenue/Income
Goodwill						
Furniture						
Cash at Bank						
Inventory						
Salary						
Sales						

Bank overdraft						
Sundry creditors						
Bills Receivable						
Trade Payable						
Rent received						
Investments						
Interest on investments						
Bank loan						
Interest on bank loan						