

O. P. JINDAL SCHOOL, SAVITRI NAGAR

Periodic Test - I (2023 – 2024)

Class / Section: XI Comm.

MM: 20

Subject: Accountancy

Time: 1 Hrs.

Name: _____

Roll No: _____

General Instructions:

1. All questions are compulsory
2. Marks are indicated against each question.
3. Answers should be brief and to the point.

Q.1 Multiple choice questions-

2.5

(i) What represents the amount invested by the owner into the business?

- a) Assets b) Revenue c) Capital d) Drawing

(ii) Identify the events not amenable to accounting treatment.

- a) Sale of goods b) Salary paid c) Directors are appointed d) Rent received

(iii) Closing stock is valued at _____

- a) Cost price b) Market price
c) Cost price or market price whichever is lower. d) Replacement cost

(iv) Who among these are not External users of accounting information-

- 1) Lenders 2) Government 3) Employees 4) Public

(v) Mr Raj, an electronic goods dealer, gifted a microwave of value Rs. 30,000 to his friend Rohan and recorded it in books as drawing. Is he correct?

(vi) **Case Base question-**

2.5

Ram and Shyam are two friends who both have just attended their first class of accountancy. The friends were intrigued by the different branches of accounting and their widespread application. Ram personally liked the branch of accounting in which fund flow statement and budgetary control is used and that branch helps in planning and controlling of operations. As the concept of accounting was further explored, they began discussing the different users of accounting. Ram said that he finds it interesting that even the employees demand information relating to business. Shyam said he finds more interesting the fact that even competitors want information on the relative strengths and weaknesses of the enterprise and for making comparisons, Shyam further said that

even accounting helps owners to compare one year's costs, expenses, and sales with those of other years. However, they were quite shocked by the fact that the management-worker relations were not taken into consideration in the accounting. Meanwhile, Ram and Shyam had an argument at the end of the discussion. Ram was saying that accounting is an art whereas Shyam was saying that accounting is a science. Their teacher came in and said something to them which made them stop the argument.

Q1. What might their teacher have said to solve their argument?

- (a) Ram, please understand, Shetty is correct in this situation
- (b) Shyam, please understand, Ram is correct In this situation.
- (c) Both are correct
- (d) None is correct

Q2. Shyam talked about which type of users of accounting?

- (a) Internal users
- (b) External users
- (c) Both (a) and (b)
- (d) None of these.

Q3. Which limitation of accounting is being talked about by them?

- (a) Influenced by personal judgment
- (b) Omission of qualitative information.
- (c) Incomplete information
- (d) Based on historical costs

Q4. Which advantage of accounting is being talked about by Shyam in the last part of the first para?

- (a) Provides information regarding profit and loss
- (b) Provides completes and systematic record
- (c) Enables comparative study
- (d) Evidence in legal matters

Q5. Which branch of accounting is liked by Ram?

- (a) Financial accounting
- (b) Cost accounting
- (c) Management accounting
- (d) Tax accounting

Q. 2 Minnu is working as an accountant in an organization and Chinnu is working as a book-keeper.

Minnu argued that her work is much wider than that of Chinnu. Do you agree? Why?

Q.3 Why is the evidence provided by source documents important to accounting? 1

Q.4 Identify the accounting principles or concepts involved in the following: 2

- a) Mr. Sreenath, owner of the business, invested Rs. 10,000 in his business. He is treated as a creditor of the business to the extent of Rs. 10,000 and his capital account is credited with the amount.
- b) All transactions recorded in the books of accounts must have a supporting document in evidence of it.
- c) Closing stock is valued at cost price or market price whichever is less.

Q.5 Identify the image, which source of document shown. write two other sources of documents. 2

Q.6 Following accounts are being maintained in the books of Shri Ashok. Classify them into Personal, Real and Nominal Accounts: 3

- | | |
|-----------------------|-------------------|
| (i) Land and Building | (vii) Investments |
| (ii) Motor Vehicles; | (viii) Salary |
| (iii) Creditors | (ix) Debtors |
| (iv) Capital | (x) Bad Debts |
| (v) Motor Vehicles | (xi) Depreciation |
| (vi) Goodwill | (xii) Wages |

Q.7 Following transactions of Ramesh for April,2018 are given below. Journalise them.

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2018		₹
April 1	Ramesh started business with cash	1,00,000
April 2	Paid into bank	20,000
April 3	Bought goods for cash	50,000
April 4	Drew cash from bank for office use	10,000
April 13	Sold goods to Krishna on credit	15,000
April 20	Bought goods from Shyam on credit	22,500
April 24	Received from Krishna	12,500
	Allowed him discount	500
April 28	Paid cash to Shyam	21,500
	Discount received	1,000
April 28	Krishna returned goods	2,000
April 30	Cash sales for the month	80,000
April 30	Paid rent	5,000
April 30	Paid salary	10,000
