



INDIAN SCHOOL AL WADI AL KABIR
DEPARTMENT OF COMMERCE
ASSESSMENT 1 -XI 2025-26
ACCOUNTANCY (055)

Date: 25/09/2025

Time: 3 hours

Marks: 80

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.*

Q. NO	QUESTIONS	Marks
1	In accounting, qualitative characteristics like relevance is meant to: (A) Ensure that all financial statements are free from errors. (B) Guarantee that all transactions are recorded chronologically. (C) Help users in decision making. (D) Facilitate comparison of result.	1
2	Which of the following users of accounting information make use of financial data to check the liquidity of an enterprise? (A) Banks (B) Management (C) Government (D) Creditors	1
3	Name the branch of accounting which helps in pricing decision. (A) Forensic accounting (B) Management accounting (C) Financial accounting (D) Cost accounting	1
4	Accounting provides alternatives to accountant and he is free to choose an alternative using his personal judgement. Which limitation of accounting is mentioned above? (A) Ignores Price level Change. (B) It is not free from bias	1

	(C) It is not fully exact. (D) Ignores qualitative aspect.	
5	An amount spent for launching of a new product is an example of (A) Capital Expenditure (B) Revenue Expenditure (C) Deferred Revenue Expenditure (D) Expense.	1
6	Which of the below mentioned statements explains Going concern principle? (A) Classification of assets as current and non-current. (B) Valuing assets at their original cost (C) Creating provision for future possible losses (D) Anticipating future possible incomes and providing for it.	1
7	If a company records inventory at its original cost or market value whichever is lower, it is following which principle? (A) Cost Principle (B) Going Concern Principle (C) Conservatism Principle (D) Money Measurement Principle	1
8	As per the accrual basis of accounting, which transactions are recorded in the books of account. (A) Credit transactions (B) Cash transactions (C) Both A & B (D) None of these.	1
9	If a business purchases machine worth ₹10,000 and pays for it by raising a loan, how will it affect the accounting equation? (A) Increase in assets; Decrease in liabilities (B) Increase in assets; Increase in liabilities (C) Decrease in assets; Decrease in liabilities (D) Increase in assets; Decrease in assets	1
10	Ram a debtor of ₹5,000 who was written off as bad debt earlier has paid us ₹4,000. What will be the impact of this transaction on accounting equation? (A) Decrease capital by ₹4,000 (B) Increase debtors by ₹5,000 (C) Decrease debtors by ₹5,000 (D) Increase capital by ₹4,000	1
11	Identify the accounting voucher used for non-cash transaction. (A) Invoice (B) Transfer Voucher (C) Credit Voucher (D) Debit voucher	1
12	Which source document is used for depositing cash in to bank? (A) Receipt (B) Cheque	1

	(C) Pay in slip (D) Cash memo	
13	Machine Account is classified as which type of account as per traditional classification of accounts. (A) Personal (B) Impersonal (C) Nominal (D) Real	1
14	Ledger is called the book of _____. (A) Prime entry (B) Primary entry (C) Final entry (D) None of these	1
15	Which statement helps in checking the arithmetical accuracy of the books of accounts? (A) Journal (B) Ledger (C) Trial Balance (D) Financial Statements	1
16	Assertion(A): Journal is called the primary book of accounting Reason(R): The preparation of books of accounts starts with recording of transactions in this book. Choose the correct option: (A) Assertion is true, Reason is false (B) Assertion and Reason are true and it is the correct explanation of Assertion (C) Assertion and Reason are true but it not the correct explanation of Assertion (D) Assertion is false, Reason is true	1
17	Mr. Z a trader from Manipur purchased raw material from Chennai. Which category of GST will be applicable on this transaction. (A) Input CGST & SGST (B) Output CGST & SGST (C) Input IGST (D) Output IGST	1
18	On which of the below stated items GST is not applicable? (A) Purchase air tickets. (B) Payment of insurance premium (C) Purchase of machinery (D) Payment of bank interest.	1
19	Cash book is a book of _____. (A) Prime entry	1

	(B) Final entry (C) Both A & B (D) None of these																																																	
20	A cheque received from a debtor is endorsed to a creditor. How will we record this transaction in Cash Book? (A) Credit side of the cash book (B) Contra entry (C) Debit side of cash book (D) No entry	1																																																
21	Identifying, measuring, recording are the first three attributes of accounting. Explain the next 3 attributes.	3																																																
22	Explain with example: (i)Intangible Assets (ii) Gain (iii) Trade payables.	3																																																
23	Explain any 2 of the following: 1. Matching concept with example. 2. Revenue recognition principle with example. 3. Accrual basis of accounting.	4																																																
24	<p>Following is a ledger A/c in the books of Akshay</p> <table><tr><th colspan="2">DR</th><th colspan="2">Twinkle's A/c</th><th colspan="2">CR</th></tr><tr><th>PARTICULARS</th><th>₹</th><th>PARTICULARS</th><th>₹</th><th></th><th></th></tr><tr><td>2025</td><td></td><td>2025</td><td></td><td></td><td></td></tr><tr><td>June 15 To Returns</td><td>5,000</td><td>June 1 By Balance b/d</td><td>7,000</td><td></td><td></td></tr><tr><td>Outward A/c</td><td></td><td>June 10 By Purchases</td><td>10,000</td><td></td><td></td></tr><tr><td>June 21 To Cash A/c</td><td>10,000</td><td>A/c</td><td></td><td></td><td></td></tr><tr><td></td><td></td><td>June 18 By Purchases</td><td>8,000</td><td></td><td></td></tr><tr><td></td><td></td><td>A/c</td><td></td><td></td><td></td></tr></table> <p>(i)Is Twinkle a debtor or creditor of Akshay? (ii)Pass the journal entry for the transaction dated June 15. (iii) Settled her account on 30/6/25 @ 10% discount. Post this transaction in ledger.</p>	DR		Twinkle's A/c		CR		PARTICULARS	₹	PARTICULARS	₹			2025		2025				June 15 To Returns	5,000	June 1 By Balance b/d	7,000			Outward A/c		June 10 By Purchases	10,000			June 21 To Cash A/c	10,000	A/c						June 18 By Purchases	8,000					A/c				4
DR		Twinkle's A/c		CR																																														
PARTICULARS	₹	PARTICULARS	₹																																															
2025		2025																																																
June 15 To Returns	5,000	June 1 By Balance b/d	7,000																																															
Outward A/c		June 10 By Purchases	10,000																																															
June 21 To Cash A/c	10,000	A/c																																																
		June 18 By Purchases	8,000																																															
		A/c																																																
25	Prepare an Imprest Petty Cash Book for the week ended on August 7 if the weekly float is Rs. 4,000 2025 Aug 1. Balance with petty cashier Rs. 2,500 Aug 1. Purchased writing material Rs. 500. Aug 2. Truck hire to deliver goods Rs. 400. Aug 3. Courier service Rs.400 Aug 3. Refreshments Rs.300 Aug 4. Taxi fare for workers Rs. 800	5																																																

26	<p>Pass the journal entries in the books of Yasin:</p> <table><tr><td>2025 Mar 1</td><td>Sold goods to Akbar, List Price 10,000 at a trade discount of 20%, IGST @ 10% and received 4000 in cash</td></tr><tr><td>Mar 18</td><td>Purchased goods of Rs. 40,000 @ 10% trade discount and 5% cash discount from Ranveer. CGST & SGST @ 5% each.</td></tr><tr><td>Mar 25</td><td>Goods worth 10,000(list price) purchased from above were returned as they were damaged.</td></tr><tr><td>Mar 31</td><td>Goods costing 15,000 (Market Price 16,000) were stolen away and the insurance company admitted a claim of 8,500. CGST & SGST @ 5% each</td></tr></table>	2025 Mar 1	Sold goods to Akbar, List Price 10,000 at a trade discount of 20%, IGST @ 10% and received 4000 in cash	Mar 18	Purchased goods of Rs. 40,000 @ 10% trade discount and 5% cash discount from Ranveer. CGST & SGST @ 5% each.	Mar 25	Goods worth 10,000(list price) purchased from above were returned as they were damaged.	Mar 31	Goods costing 15,000 (Market Price 16,000) were stolen away and the insurance company admitted a claim of 8,500. CGST & SGST @ 5% each	5
2025 Mar 1	Sold goods to Akbar, List Price 10,000 at a trade discount of 20%, IGST @ 10% and received 4000 in cash									
Mar 18	Purchased goods of Rs. 40,000 @ 10% trade discount and 5% cash discount from Ranveer. CGST & SGST @ 5% each.									
Mar 25	Goods worth 10,000(list price) purchased from above were returned as they were damaged.									
Mar 31	Goods costing 15,000 (Market Price 16,000) were stolen away and the insurance company admitted a claim of 8,500. CGST & SGST @ 5% each									
27	<p>Prepare a Trial Balance on 31.03.2022 from the following balances:</p> <p>Return outward-1,200; Wages outstanding-3,600; Bad debt Recovered-2,000; Unexpired insurance-3,500; General reserve-1,800; Carriage inward- 600; Trade Payables - 3,000; Investment- 12,000; Input IGST-3,000;</p>	6								
28	<p>Pass the journal entries in the books of Rukaiya:</p> <table><tr><td>2025 May 1</td><td>Purchased goods from Amit, List Price 40,000 at a trade discount of 10% and paid half of the amount after a cash discount of 5%.</td></tr><tr><td>May 4</td><td>Paid salaries to staff by cheque 5,000 and by giving away 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>Purchased a machine of 90,000 from Raj. Paid wages for its installation in cash 10,000.</td></tr></table>	2025 May 1	Purchased goods from Amit, List Price 40,000 at a trade discount of 10% and paid half of the amount after a cash discount of 5%.	May 4	Paid salaries to staff by cheque 5,000 and by giving away 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	Purchased a machine of 90,000 from Raj. Paid wages for its installation in cash 10,000.	6
2025 May 1	Purchased goods from Amit, List Price 40,000 at a trade discount of 10% and paid half of the amount after a cash discount of 5%.									
May 4	Paid salaries to staff by cheque 5,000 and by giving away 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	Purchased a machine of 90,000 from Raj. Paid wages for its installation in cash 10,000.									
29	<p>Prepare double column cash book from the following details:</p> <table><tr><td>2025</td></tr><tr><td>Oct 1. Cash at office: 60,000. Bank Balance(cr): 15,000</td></tr><tr><td>Oct 6. Introduced further capital of 30,000 out of which 15,000 is by cheque and is deposited in to bank.</td></tr><tr><td>Oct 9. Received from Raksha 4,000 on behalf of Akash</td></tr></table>	2025	Oct 1. Cash at office: 60,000. Bank Balance(cr): 15,000	Oct 6. Introduced further capital of 30,000 out of which 15,000 is by cheque and is deposited in to bank.	Oct 9. Received from Raksha 4,000 on behalf of Akash	8				
2025										
Oct 1. Cash at office: 60,000. Bank Balance(cr): 15,000										
Oct 6. Introduced further capital of 30,000 out of which 15,000 is by cheque and is deposited in to bank.										
Oct 9. Received from Raksha 4,000 on behalf of Akash										

	<p>Oct 14. Purchased goods costing 6,000 @ Trade Discount and received an invoice.</p> <p>Oct 15. Interest credited by bank 5,000.</p> <p>Oct 22 Ramesh a debtor who owed 10,000 is insolvent and 25 paise in a rupee is recovered from his estate.</p> <p>Oct 25 Received a cheque from Adnan 5,000 in full settlement of 6,000.</p> <p>Oct 27 Paid life insurance premium Rs. 5,000</p> <p>Oct 29 Adnan's cheque is returned by bank and bank charges amounted to Rs.200.</p> <p>Oct 31. Sold goods of 40,000 out of which half the amount is deposited in to bank.</p>	
30 (A)	<p>Journalize the following transactions</p> <div> <p>2025.</p> <p>Jan 1. Started business with cash of 80,000, Cheque of 50,000 Furniture 60,000.</p> <p>Jan 3. Deposited 10,000 into bank.</p> <p>Jan 9. Purchased goods from Sameer 20,000 @ 10% trade discount.</p> <p>Jan 12 Returned goods to Sameer of list price 5,000</p> <p>Jan 16. Paid 12,000 in full settlement to Sameer</p> <p>Jan 20. Distributed goods of 5,000 for charity.</p> <p>Jan 23. Charge depreciation on furniture @ 10% p.a.</p> <p>Jan 28. Sold goods to Ajaya for 20,000 @ 10% trade discount & 5% cash discount.</p> </div>	6
(B)	For the above question 30(A) from the journal entries, post them to ledger and extract a trial balance	10