



ST. LAWRENCE HIGH SCHOOL

27, BALLYGUNGE CIRCULAR ROAD

**Class : 11****Subject : ACCOUNTANCY****Term : 2nd Term****Max Marks : 80****Q 1 :** Book Keeping is mainly concerned with**Marks : 1**

- 1 . recording financial data relating to business operations (This Answer is Correct)
- 2 . designing for systems recording, classifying and summarising recorded data
- 3 . interpreting data for internal and external users
- 4 . none of these

Q 2 : Information about financial position of a business concern is disclosed in**Marks : 1**

- 1 . Balance Sheet (This Answer is Correct)
- 2 . Profit & Loss A/c
- 3 . Trial Balance
- 4 . none of these

Q 3 : Information about financial performance of a business concern is disclosed in**Marks : 1**

- 1 . Balance Sheet
- 2 . Profit & Loss A/c (This Answer is Correct)
- 3 . Trial Balance
- 4 . Cash Book

Q 4 : Expense is the _____ portion of expenditure**Marks : 1**

- 1 . external
- 2 . expired (This Answer is Correct)
- 3 . insignificant
- 4 . none of these

Q 5 : Which of the following is a capital expenditure**Marks : 1**

- 1 . wages
- 2 . wages paid for constructing a building (This Answer is Correct)
- 3 . Repairing charges of a building
- 4 . salary

Q 6 : According to which principle of business even the proprietor of the business is treated as a creditor of the business? **Marks : 1**

- 1 . Cost concept
- 2 . Accounting period concept
- 3 . Going concern concept
- 4 . Entity concept** (This Answer is Correct)

Q 7 : Under going concern concept, assets are always valued at **Marks : 1**

- 1 . Market price
- 2 . Cost price** (This Answer is Correct)
- 3 . Replacement cost
- 4 . Invoice price

Q 8 : Under which concept the economic significance of an item will to some extent affect its accounting treatment? **Marks : 1**

- 1 . Materiality concept** (This Answer is Correct)
- 2 . Dual aspect concept
- 3 . Proprietary concept
- 4 . Entity concept

Q 9 : International Financial Reporting Standards (IFRS) are the accounting standards developed by **Marks : 1**

- 1 . IASB** (This Answer is Correct)
- 2 . IASC
- 3 . SAFA
- 4 . ICAI

Q 10 : Aditi started business with a capital of ₹5,60,000. The impact of this transaction will be **Marks : 1**

- 1 . Decrease of asset and capital
- 2 . Increase of asset and capital** (This Answer is Correct)
- 3 . Increase of liability & decrease of capital
- 4 . Decrease of liabilities & increase of capital

Q 11 : Nabarun started business with Cash ₹1,00,000 and furniture ₹50,000. What will be the balance of Capital A/c **Marks : 1**

- 1 . ₹1,50,000 (Dr.)
- 2 . ₹1,50,000 (Cr.)** (This Answer is Correct)
- 3 . ₹1,00,000 (Dr.)

4 . ₹1,00,000 (Cr,)

Q 12 : Amount paid for Income Tax amounting to ₹2,000, in will come in the credit side of cash book as **Marks : 1**

1 . By Income Tax A/c ₹2,000

2 . By Bank A/c ₹2,000

3 . By Drawings A/c ₹2,000

(This Answer is Correct)

4 . By Cash A/c ₹2,000

Q 13 : Deposited all cash into bank in excess of ₹2,000 at the closing date of double column cash book. It means **Marks : 1**

1 . Closing cash balance is ₹2,000

(This Answer is Correct)

2 . Closing bank balance ₹2,000

3 . Cash deposited to bank ₹2,000

4 . none of these

Q 14 : Balance of petty cash book is **Marks : 1**

1 . Debit

2 . Credit

3 . Zero

4 . Debit or zero

(This Answer is Correct)

Q 15 : Which of the following is not recorded in the books of accounts? **Marks : 1**

1 . Sale of goods

2 . Payment of salary

3 . Quality of staff

(This Answer is Correct)

4 . Depreciation of assets

Q 16 : Investment is **Marks : 1**

1 . An expense

2 . An income

3 . A liability

4 . An asset

(This Answer is Correct)

Q 17 : Internal users of accounting information are **Marks : 1**

1 . Government

2 . Creditors

3 . Investors

4 . Manager

(This Answer is Correct)

Q 18 : Which of the following is not a business transaction?

Marks : 1

1 . Purchase of goods for resale amounted to ₹50,000

2 . Paid salaries and wages amounted to ₹10,000

3 . Paid rent for office premises ₹5,000

4 . Purchased a LCD for personal use

(This Answer is Correct)

Q 19 : Which of the following is not a branch of accounting?

Marks : 1

1 . Management Accounting

2 . Cost Accounting

3 . Financial Accounting

4 . Book-keeping

(This Answer is Correct)

Q 20 : Suppliers of goods and services on credit are called

Marks : 1

1 . Customers

2 . Creditors

3 . Investors

4 . Employees

(This Answer is Correct)

Q 21 : The nature of capital is

Marks : 1

1 . An asset

2 . An internal liability

3 . An external liability

4 . An income

(This Answer is Correct)

Q 22 : Which of the following is not a business transaction?

Marks : 1

1 . Goods are purchased on credit

2 . Land is purchased for cash

3 . Cash withdrawn from business by the owner for his personal use

4 . Interview conducted for appointment of employee

(This Answer is Correct)

Q 23 : Accounting is

Marks : 1

1 . A science

- 2 . An art
- 3 . Both a science and an art**
- 4 . none of these

(This Answer is Correct)

Q 24 : The prime function of accounting is to

Marks : 1

- 1 . Record financial information
- 2 . Record all business information
- 3 . Classify and record business transactions**
- 4 . Record financial and management information

(This Answer is Correct)

Q 25 : _____ is the art or recording, classifying, summarising and interpreting the results of money transactions.

Marks : 1

- 1 . Book-keeping
- 2 . Accounting**
- 3 . Cost Accounting
- 4 . Management Accounting

(This Answer is Correct)

Q 26 : Which one is the final step of accounting process?

Marks : 1

- 1 . Recording transactions
- 2 . Classifying transactions
- 3 . Summarising transactions
- 4 . Providing information to various interested parties**

(This Answer is Correct)

Q 27 : Anything that happens is known as

Marks : 1

- 1 . Transaction
- 2 . Event**
- 3 . Journal
- 4 . Ledger

(This Answer is Correct)

Q 28 : Which one of the following is not the characteristics of a transaction?

Marks : 1

- 1 . measurable in terms of money
- 2 . brings financial changes
- 3 . directly recorded in the books of accounts**
- 4 . none of these

(This Answer is Correct)

Q 29 : Discount allowed is a/an

Marks :

- 1 . asset
- 2 . loss
- 3 . expense
- 4 . income

(This Answer is Correct)

Q 30 : Charging depreciation is the example of

Marks : 1

- 1 . Cash transaction
- 2 . Credit transaction
- 3 . Internal transaction
- 4 . External transaction

(This Answer is Correct)

Q 31 : Which of the following Accounting Standards deals with 'Valuation of Inventory'?

Marks : 1

- 1 . AS 2
- 2 . AS 3
- 3 . AS 6
- 4 . AS 10

(This Answer is Correct)

Q 32 : Relationship between owner and his business depends upon which concept?

Marks : 1

- 1 . Accrual concept
- 2 . Going concern concept
- 3 . Matching concept
- 4 . Entity concept

(This Answer is Correct)

Q 33 : Indian Accounting Standards are issued by

Marks : 1

- 1 . Institute of Cost Accountants of India
- 2 . Institute of Chartered Accountants of India
- 3 . Institute of Company Secretary of India
- 4 . Indian Statistical Institute

(This Answer is Correct)

Q 34 : Full form of GAAP is

Marks : 1

- 1 . Generally Adopted Accounting Principles
- 2 . Generally Accepted Accounting Principles
- 3 . Generally Accepted Auditing Principles
- 4 . Government Approved Accounting Principles

(This Answer is Correct)

Q 35 : Which Accounting Standard of India indicates the Depreciation?

Marks : 1

- 1 . AS 2
- 2 . AS 3
- 3 . AS 6**
- 4 . AS 10

(This Answer is Correct)

Q 36 : Under matching concept, matching is done between

Marks : 1

- 1 . assets & liabilities
- 2 . capital & drawings
- 3 . receipts & payments
- 4 . expenses & incomes**

(This Answer is Correct)

Q 37 : In accounting, non-financial transactions are not recorded because of

Marks : 1

- 1 . Entity concept
- 2 . Money measurement concept**
- 3 . Cost concept
- 4 . Accrual concept

(This Answer is Correct)

Q 38 : Profit and loss account is prepared for a period of one year by following

Marks : 1

- 1 . Accounting period concept**
- 2 . Going concern concept
- 3 . Matching concept
- 4 . Entity concept

(This Answer is Correct)

Q 39 : The assumption, that a business enterprise will continue its operation for an indefinite period of time is known as

Marks : 1

- 1 . Entity concept
- 2 . Going concern concept**
- 3 . Matching concept
- 4 . Consistency concept

(This Answer is Correct)

Q 40 : Double entry system is based on the principle of

Marks : 1

- 1 . Accounting period concept
- 2 . Money measurement concept
- 3 . Dual aspect concept**
- 4 . None of these

(This Answer is Correct)

Q 41 : Income is measured on the basis of which concept? **Marks : 1**

- 1 . Going concern concept
- 2 . Dual aspect concept
- 3 . Proprietary concept
- 4 . Money measurement concept**

(This Answer is Correct)

Q 42 : Assets are recorded at the cost of acquisition under **Marks : 1**

- 1 . Dual Aspect concept
- 2 . Cost concept**
- 3 . Materiality concept
- 4 . Full disclosure concept

(This Answer is Correct)

Q 43 : The policy of anticipate no profit and provide for all possible losses arises due to **Marks : 1**

- 1 . Consistency concept
- 2 . Conservatism concept**
- 3 . Materiality concept
- 4 . Dual Aspect concept

(This Answer is Correct)

Q 44 : Provision for doubtful debts is made on which concept? **Marks : 1**

- 1 . Conservatism concept**
- 2 . Consistency concept
- 3 . Cost concept
- 4 . Materiality concept

(This Answer is Correct)

Q 45 : Under which concept the financial statement must disclose all the relevant and reliable information? **Marks : 1**

- 1 . Materiality concept
- 2 . Conservatism concept
- 3 . Dual aspect concept
- 4 . Full disclosure concept**

(This Answer is Correct)

Q 46 : The system of recording transactions is based on which concept? **Marks : 1**

- 1 . Going concern concept
- 2 . Dual aspect concept**
- 3 . Proprietary concept
- 4 . Entity concept

(This Answer is Correct)

Q 47 : Prudence is similar to **Marks : 1**

- 1 . Consistency concept
- 2 . Dual aspect concept
- 3 . Conservatism concept** (This Answer is Correct)
- 4 . Full disclosure concept

Q 48 : If same accounting procedure is following by a firm year after year , then it is known as **Marks : 1**

- 1 . Consistency concept** (This Answer is Correct)
- 2 . Dual aspect concept
- 3 . Going concern concept
- 4 . Full disclosure concept

Q 49 : Accounting standards are _____ in nature **Marks : 1**

- 1 . Optional
- 2 . Mandatory** (This Answer is Correct)
- 3 . Irrelevant
- 4 . none of these

Q 50 : Accounting period is normally restricted to **Marks : 1**

- 1 . 6 months
- 2 . 12 months** (This Answer is Correct)
- 3 . 1 month
- 4 . 18 months

Q 51 : Capital of an enterprise is ₹6,00,000 and liabilities are ₹4,00,000. What will be the value of assets of the enterprise? **Marks : 1**

- 1 . ₹ 100,000
- 2 . ₹ 200,000
- 3 . ₹ 900,000
- 4 . ₹ 1,000,000** (This Answer is Correct)

Q 52 : Purchased goods for ₹5,000, how it will be plotted in the accounting equation? **Marks : 1**

- 1 . ₹5,000 is to be added with cash and stock
- 2 . ₹5,000 is to be deducted from both cash and stock
- 3 . ₹5,000 is to be added to stock and ₹5,000 is to be deducted from cash** (This Answer is Correct)
- 4 . none of these

Q 53 : Goods sold for cash (cost ₹6,000) at ₹8,000, plot it in the accounting equation **Marks : 1**

1. ₹8,000 is to be added to cash and ₹6,000 is to be deducted from stock

2. (This Answer is Correct)

₹8,000 is to be added to cash, ₹6,000 is to be deducted from stock and ₹2,000 is to be added to capital

3. ₹8,000 is to be added to cash, ₹6,000 is to be deducted from stock and ₹2,000 is to be added to creditor

4. none of these

Q 54 : What will be the amount of liability to the owners, if total assets of an organisation are ₹1,20,000 and liabilities to the third party is ₹50,000? **Marks : 1**

1. ₹ 170,000

2. ₹ 120,000

3. ₹ 70,000 (This Answer is Correct)

4. ₹ 50,000

Q 55 : The liabilities to third party of a business are ₹60,000 and the capital is ₹90,000. The total assets of the business are **Marks : 1**

1. ₹ 30,000

2. ₹ 150,000 (This Answer is Correct)

3. ₹ 60,000

4. ₹ 90,000

Q 56 : Which of the following is correct? **Marks : 1**

1. Assets = Liabilities - Capital

2. Assets = Capital - Liabilities

3. Assets = Capital + Liabilities (This Answer is Correct)

4. Liabilities = Capital + Assets

Q 57 : Drawings account is a **Marks : 1**

1. Real A/c

2. Personal A/c (This Answer is Correct)

3. Nominal A/c

4. Liability A/c

Q 58 : Amount of Bills Payable is a/an **Marks : 1**

1. expense

2 . income

3 . liability

(This Answer is Correct)

4 . asset

Q 59 : Outstanding wages is under

Marks : 1

1 . Real A/c

2 . Personal A/c

(This Answer is Correct)

3 . Nominal A/c

4 . None of these

Q 60 : Which of the following is not an asset?

Marks : 1

1 . Patent

2 . Goodwill

3 . Stock

4 . Bank Overdraft

(This Answer is Correct)

Q 61 : Which of the following is not a liability?

Marks : 1

1 . Trade Mark

2 . Capital

3 . Creditors

4 . Provision for doubtful debts

(This Answer is Correct)

Q 62 : If Calcutta Furniture Mart purchased 2 almirahs, it will be treated in accounting as

Marks : 1

1 . Assets

2 . Expenses

3 . Purchases

4 . Incomes

(This Answer is Correct)

Q 63 : Goods sold to Anish for ₹10,000, the account which will be debited in the journal is

Marks : 1

1 . Cash A/c

2 . Anish A/c

3 . Sales A/c

4 . Purchase A/c

(This Answer is Correct)

Q 64 : ₹9,900 received in full settlement of a debt of ₹10,000. The difference of ₹100 is called as

Marks : 1

1. Discount Received
2. Discount Allowed
3. Trade Discount
4. Bad Debt

(This Answer is Correct)

Q 65 : Bought goods from Shyamal ₹25,000, paid cash ₹5,000, returned goods to Shyamal ₹2,000 and paid by cheque ₹13,000; what will be the balance of Shyamal account? **Marks :** 1

1. ₹ 3,000
2. ₹ 5,000
3. ₹ 7,000
4. ₹ 8,000

(This Answer is Correct)

Q 66 : Mr. Arun commenced business with cash ₹22,000, bought furniture ₹2,000, bought goods ₹8,000, sold goods for ₹12,000, paid creditors ₹7,000; what will be the balance of Cash account? **Marks :** 1

1. ₹ 8,000
2. ₹ 12,000
3. ₹ 17,000
4. ₹ 22,000

(This Answer is Correct)

Q 67 : ₹1,49,000 paid to Mr. Kalam in full settlement of his debt of ₹1,50,000. What is the balance of Mr. Kalam's Ledger A/c **Marks :** 1

1. ₹1,50,000 (Dr.)
2. ₹1,50,000 (Cr.)
3. ₹ 1,000
4. No Balance

(This Answer is Correct)

Q 68 : Term 'contra' signifies **Marks :** 1

1. same
2. different
3. opposite
4. none of these

(This Answer is Correct)

Q 69 : Cash book is a **Marks :** 1

1. Journal
2. Ledger
3. Both journal and ledger

(This Answer is Correct)

4 . none of these

Q 70 : Cash deposited into bank for ₹5,000, in a double column cash book it will be debited as

Marks : 1

- 1 . To Bank A/c ₹5,000
- 2 . To Cash A/c ₹5,000
- 3 . By Bank A/c ₹5,000
- 4 . By Cash A/c ₹5,000

(This Answer is Correct)

Q 71 : In accounting , the term 'petty' means

Marks : 1

- 1 . big
- 2 . small
- 3 . insignificant
- 4 . none of these

(This Answer is Correct)

Q 72 : In petty cash book, the term 'imprest' signifies

Marks : 1

- 1 . To impress the customers
- 2 . To draw the attention of the owner
- 3 . To maintain minimum balance in the petty cash
- 4 . To withdraw cash from petty cash

(This Answer is Correct)

Q 73 : For receiving cash from Chief Cashier by Petty Cashier, the account which is debited in the journal is

Marks : 1

- 1 . Cash A/c
- 2 . Bank A/c
- 3 . Petty Cash A/c
- 4 . Petty Cashier A/c

(This Answer is Correct)

Q 74 : Trial Balance is the prima facie evidence of _____ accuracy.

Marks : 1

- 1 . mathematical
- 2 . arithmetical
- 3 . satistical
- 4 . geometrical

(This Answer is Correct)

Q 75 : Trial Balance is a/an

Marks : 1

- 1 . Account
- 2 . Statement
- 3 . Voucher

(This Answer is Correct)

4. Invoice

Q 76 : Return Inward ₹1,000 comes in which side of trial balance?

Marks : 1

1. Debit
2. Credit
3. Does not come
4. none of these

(This Answer is Correct)

Q 77 : Purchases amounting to ₹50,000 comes in which side of Trial Balance?

Marks : 1

1. Debit
2. Credit
3. Does not come
4. none of these

(This Answer is Correct)

Q 78 : When closing stock comes in the trial balance?

Marks : 1

1. When purchase is not adjusted
2. When purchase is adjusted
3. When there is no purchase
4. none of these

(This Answer is Correct)

Q 79 : The capital of a business firm is ₹1,00,000, reserve and surplus is ₹40,000 and external liability is ₹25,000. Total assets of the business are

Marks : 1

1. ₹ 35,000
2. ₹ 115,000
3. ₹ 140,000
4. ₹ 165,000

(This Answer is Correct)

Q 80 : Sohini became bankrupt and she paid @ 25 p. per rupee. The accounts which will be debited are

Marks : 1

1. Cash A/c & Discount Allowed A/c
2. Cash A/c & Bad Debt A/c
3. Cash A/c & Bank A/c
4. none of these

(This Answer is Correct)