



St. Lawrence High School



A Jesuit Christian Minority Institution

Answer Key 9

Sub: ACCOUNTANCY

Class 11

F.M. 15

Chapter: Unit 1: Introduction to Accounting

Date: 24/06/2020

Topic: Basic Accounting Terms 1

Choose the correct alternatives

1 x 15 = 15

1. An event may be defined as
(a) an occurrence; (b) happening; (c) change or incident; **(d) all of these**
2. An event _____ in the financial position of a business unit.
(a) may bring any change; (b) may not bring any change; **(c) may or may not bring any change**
(d) none of these
3. An event _____ in terms of money
(a) may be expressed; (b) may not be expressed; **(c) may or may not be expressed;** (d) none of these
4. From business point of view events are
(a) internal; (b) external; **(c) both internal & external;** (d) none of these
5. A transaction is a particular type of
(a) internal event; **(b) external event;** (c) both internal & external event; (d) none of these
6. Transaction _____ measured in terms of money;
(a) can be; (b) cannot be; (c) both (a) & (b); (d) none of these
7. Transaction _____ in the financial position of a business unit
(a) brings change; (b) cannot change; (c) both (a) & (b); (d) none of these
8. Which of the following statement is correct?
(a) all events are transactions; **(b) all transactions are events;** (c) both (a) & (b); (d) none of these
9. Death of the general manager of a business is an example of
(a) event; (b) transaction; (c) both event & transaction; (d) none of these
10. Goods purchased in cash for Rs. 10,000 is an example of
(a) event; **(b) transaction;** (c) both event & transaction; (d) none of these
11. Threat by a labour union to call a strike is an example of
(a) event; (b) transaction; (c) both event & transaction; (d) none of these
12. Goods sold in cash for Rs. 25,000 is an example of
(a) event; **(b) transaction;** (c) both event & transaction; (d) none of these
13. Mr. X wants to purchase a computer for Rs. 40,000 is an example of
(a) event; (b) transaction; (c) both event & transaction; (d) none of these
14. An account is a _____ record of all transactions relating to change in a particular item
(a) informal; **(b) formal;** (c) both formal & informal; (d) none of these

15. Goods sold on credit is an example of
(a) event; **(b) transaction;** (c) both event & transaction; (d) none of these

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