



V.M.G. RAJASEKARAN–RAMANI

SRI SARADA SAKTHI

MAT. HR. SEC. SCHOOL

**ACCOUNTANCY****GRADE: XI****TEST NO.4****MARKS: 50****I CHOOSE THE CORRECT ANSWER**

30 X 1 = 30

- Financial position of a business is ascertained on the basis of.....
  - Journal
  - trail balance
  - balance sheet
  - ledger
- Who is considered to be the internal user of the financial information? .....
  - Creditor
  - employee
  - customer
  - government
- The rule of stock valuation cost price or realisable value whichever is lower is based on the accounting principle of.....
  - materiality
  - money measurement
  - conservatism
  - accrual
- Which of the following does not follow dual aspect concept ? .....
  - increases in one asset and decrease in other asset
  - increases in both asset and liability
  - decreases in one asset and decreases in other asset
  - increases in one asset and increase in capital
- A firm has assets RS 100000 and the external liabilities of RS 60000 its capital would be.....
  - RS 160000
  - RS 60000
  - RS 100000
  - RS 40000
- The incorrect accounting equation is .....
  - assets = liabilities + capital
  - assets = capital + liabilities
  - liabilities + assets + capital
  - capital + assets + liabilities
- A firm has assets RS 100000 and the external liabilities of RS 60000 its capital would be.....
  - RS 160000
  - RS 60000
  - RS 100000
  - RS 40000
- The incorrect accounting equation is .....
  - assets = liabilities + capital
  - assets = capital + liabilities
  - liabilities + assets + capital
  - capital + assets + liabilities
- While preparing the trail balance the accountant finds that the total of the credit column is short by RS 200 this difference will be .....
  - debited to suspense account
  - credited to suspense
  - adjusted to any of the debit balance
  - adjusted to any of the credit balance
- The difference of totals of both debit credit side or trail balanced transferred to .....
  - Trading account
  - Difference account
  - Suspense account
  - Miscellaneous account
- The total of the sales book is posted periodically to the credit of .....
  - Sales account
  - Cash account
  - Purchases account
  - Journal proper
- Which of the following statements is not true ?
  - Cash discount is recorded in the books of accounts
  - Assets purchased on credit are recorded in journal proper
  - Trade discount is recorded in the books of accounts
  - 3 grace days are added while determining the due date of the bill
- In triple column cash book, the balance of bank overdraft brought forward will appear in.....
  - Cash column debit side
  - Cash column credit side
  - Bank column debit side
  - Bank column credit side
- Petty cash may be used to pay.....
  - The expenses relating to postage and conveyance
  - salary to the manager
  - purchase of furniture and fixtures
  - purchase of raw materials
- When money is withdrawn from bank , the bank .....
  - credits customers 's account
  - debts customer's account
  - debts and credits customer's account
  - none of these

16. . Balance as per bank statement is RS 1,000 cheques deposited but not yet credited by the bank RS 2,000 what is the balance as per bank column of the cash book? .....  
a) RS 3,000 overdraft    b) RS 3,000 favourable    c) RS 1,000 overdraft    d) 1,000 favourable
17. Wages paid for installation of machinery wrongly debited to wages account is an error of  
(a) Partial omission (b) Principle (c) Complete omission (d) Duplication
18. The total of purchases book was overcast. Which of the following accounts should be debited in the rectifying journal entry?  
(a) Purchases account (b) Suspense account (c) Creditor account (d) None of the above
19. For which of the following assets, the depletion method is adopted for writing off cost of the asset?  
(a) Plant and machinery    (b) Mines and quarries    (c) Buildings    (d) Trademark
20. Depreciation is to be calculated from the date when  
(a) Asset is put to use    (b) Purchase order is made  
(c) Asset is received at business premises    (d) Invoice of assets is received
21. Revenue expenditure is intended to benefit  
(a) Past period    (b) Future period    (c) Current period    (d) Any period
22. Pre-operative expenses are  
(a) Revenue expenditure    (b) Prepaid revenue expenditure  
(c) Deferred revenue expenditure    (d) Capital expenditure
23. Bank overdraft should be shown  
(a) In the trading account    (b) Profit and loss account    (c) On the liabilities side    (d) On the assets side
24. Current assets does not include  
(a) Cash    (b) Stock    (c) Furniture    (d) Prepaid expenses
25. Accrued interest on investment will be shown  
(a) On the credit side of profit and loss account  
(b) On the assets side of balance sheet  
(c) Both (a) and (b) (d) None of these
26. If there is no existing provision for doubtful debts, provision created for doubtful debts is  
(a) Debited to bad debts account    (b) Debited to sundry debtors account  
(c) Credited to bad debts account    (d) Debited to profit and loss account
27. One of the limitations of computerised accounting system is  
(a) System failure    (b) Accuracy    (c) Versatility    (d) Storage
28. People who write codes and programmes are called as  
(a) System analysts    (b) System designers    (c) System operators    (d) System programmers
29. Which one of the following is not a method of codification of accounts?  
(a) Access codes (b) Sequential codes (c) Block codes (d) Mnemonic codes
30. A prepayment of insurance premium will appear in  
(a) The trading account on the debit side    (b) The profit and loss account on the credit side  
(c) The balance sheet on the assets side    (d) The balance sheet on the liabilities side

**II ANSWER THE FOLLOWING**

10 X 2 = 20

31. What is purchases returns book?
32. What is sales book?
33. What is journal proper?
34. Define bill of exchange.
35. What is an invoice?
36. What are the different types of cash book?
37. What is simple cash book?
38. Give the format of 'Double column cash book'.
39. What is trade discount?
40. What is petty cash book?

\*\*\*\*\*