

HALF YEARLY EXAMINATION (2021-22)
CLASS XI
SUBJECT: ACCOUNTANCY

Time: 90 minutes

Max. Marks: 40

General instructions:

1. The Question Paper contains two parts – I & II.
2. Part I has questions from 1 - 41 , you have to attempt any 34 questions.
3. Part II has questions from 42 - 55 , you have to attempt any 11 questions.
4. All questions carry equal marks.
5. There is NO negative marking.

PART I

1. Premium paid on the life insurance policy of the sole proprietor will be debited to _____.
A) Insurance premium account
B) Drawings account
C) Cash account
D) None of them.
2. The long term assets that have no physical existence but are rights that have value is known as-
A) Current assets
B) Fixed assets
C) Intangible assets
D) Investments
3. The assets that can be converted into cash within a short period (i.e. 1 year or less) are known as ---- .
A) Current assets
B) Fixed assets
C) Intangible assets
D) Investments
4. Any written evidence in support of a business transaction is called -----.
A) Journal
B) Ledger
C) Ledger posting
D) Voucher
5. The account that records expenses, gains and losses is ----- .
A) Personal account
B) Real account
C) Nominal account
D) None of the above
6. The process of entering all transactions from the Journal to Ledger is called ----- .
A) Posting
B) Entry
C) Accounting
D) None of the above
7. Debtors are ----- account.
A) Personal
B) Real
C) Nominal
D) None of the above
8. Identify the correct sequence of accounting process
A) Communicating -> Recording -> Identifying
B) Recording -> Communicating -> Identifying
C) Identifying -> Communicating -> Recording
D) Identifying -> Recording -> Communicating
9. Which of the following is the external user of financial statements?
A) Manager of the business
B) CEO of the business
C) Creditor of the business
D) Controller of the business
10. Every business transaction affects at least ----- accounts
A) One
B) Two
C) Three
D) Infinite

11. The Journal entry in which two or more account is debited or credited is referred to as ----- .
Journal entry
 - A) Multi entry
 - B) Additional entry
 - C) Compound entry
12. Goods returned by customer should be debited to which of the following accounts?
 - A) Sales income account
 - B) Sales account
 - C) Return inward account
 - D) Expenses account
13. Which of the following will be debited if a business purchases goods on credit?
 - A) Cash
 - B) Debtor
 - C) Creditor
 - D) Purchases
14. Which of the following accounts will be credited if a company purchases building for cash?
 - A) Capital account
 - B) Fixed assets account
 - C) Building account
 - D) Cash account
15. Discount for quick repayment of debt is normally referred to as ----- .
 - A) Trade discount
 - B) Prompt payment discount
 - C) Cash discount
 - D) Bulk discount
16. Goods given as charity will be credited to ----- account.
 - A) Charity
 - B) Purchase
 - C) Sales
 - D) None of the above
17. Cash discount is allowed on _____ repayment of debt
 - A) Lump sum
 - B) Prompt
 - C) Actual
 - D) None of them
18. Received a cheque from Mohan but not deposited into the bank will be debited to _____.
 - A) Bank a/c
 - B) Cash a/c
 - C) Cheque in hand a/c
 - D) None of them
19. Payment of expenses will ----- the assets in accounting equation.
 - A) Increase
 - B) Reduce
 - C) Overstate
 - D) Not change
20. The debts which are to be repaid within a short period (year or less) are known as ----- .
 - A) Current liabilities
 - B) Fixed liabilities
 - C) Contingent liabilities
 - D) All of the above
21. Capital of a business decreases if there is an increase in
 - A) Drawings
 - B) Income
 - C) Gains
 - D) Fresh capital
22. Drawings by owner of business are generally recorded on which of the following side of a cash book?
 - A) Receipts
 - B) Payments
 - C) Incomes
 - D) Expenditures
23. Drawing is a Nominal Account. **TRUE or FALSE**
 - A) True
 - B) False
24. For depositing cash in our Bank account, we require -----
 - A) Pay-in-Slip
 - B) Cheque

- C) Voucher
D) Pass-Book
25. Sold goods for cash costing 20,000 and on credit Rs 30,000 at a loss of 10%. Sales price will be ----- .
A) 40,000
B) 45000
C) 55000
D) 60000
26. Journal is a part of ----- .
A) Recording
B) Classifying
C) Summarising
D) Analysing
27. Cash received from Roli as rent will be credited to ----- account.
A) Roli
B) Rent account
C) Cash account
D) None of them.
28. In Accounting Equation, Capital increases when ----- .
A) Goods are Purchased
B) Rent is paid
C) Commission is received
D) Goods are lost by fire
29. The concept that anticipates the loss and not the profit refers to ----- .
A) Consistency
B) Conservatism
C) Full Disclosure
D) Matching
30. The person who still owes some amount to the business are termed as:
A) Creditors
B) Bills Payable
C) Debtors
D) Bills Receivable
31. Assets accounts normally have a credit balance. **TRUE or FALSE**
A) True
B) False
32. Bank overdraft is an example of current liability and trade receivable is an example of -----
Intangible assets
A) Tangible asset
B) Non current asset
C) Current asset
33. Fixed assets are also known as ----- .
A) Non current asset
B) Current asset
C) Fictitious asset
D) Personal asset
34. Which of the following is the closing balance of a ledger account?
A) Balance e/d
B) Balance b/d
C) Balance c/d
D) Balance f/d
35. Introduction of capital by owner of business is recorded on which side of a cash book?
A) Payments
B) Receipts
C) Incomes
D) Expenditures
36. When debit as well as credit aspects of a transaction are recorded in a cash book , it is called ----- .
A) Compound entry
B) Closing entry
C) Contra entry
D) Opening entry
37. Debit balance of cash book is equivalent to ----- .
A) Overdraft as per pass book
B) Overdraft as per cash book
C) Credit balance of pass book
D) None of the above

38. Bank Reconciliation Statement is prepared by ----- .
 A) Debtors
 B) Account Holder
 C) Creditors
 D) Bank
39. Which of the following transaction will result in higher balance in the bank column of cash-book in comparison to pass-book?
 A) Cheques issued but not presented for payment.
 B) Interest allowed by bank.
 C) Cheques paid into bank for collection.
 D) None of the above
40. On 1-4-19, Bank balance was unfavourable (credit) ₹ 5000. A customer directly deposited cheque into bank ₹10,000 and a cheque issued to pay salary to Mr. Ram amounted to ₹2,000. The bank balance will be -----
 A) ₹3,000 debit
 B) ₹13,000 debit
 C) ₹7,000 credit
 D) None of the above
41. Amount directly deposited by customers into Bank but no information received will increase _____ balance.
 A) Cash book
 B) Pass book
 C) None of the above

PART II

42. Which of the following is the internal user of financial statements?
 A) Creditor of the business
 B) Government agency
 C) Shareholder of the business
 D) Manager of the business
43. Which is the most important characteristic that all assets of a business have?
 A) Long life of assets
 B) Intangible nature of assets
 C) Future economic benefits
 D) None of the above
44. ----- is the withdrawal of cash and goods by the owner of the business for his/her personal use.
 A) Depreciation
 B) Drawings
 C) Outflow of cash
 D) Appreciation
45. Identify the nominal account.
 A) Machinery account
 B) Building account
 C) Creditors account
 D) Rent account
46. Which of the following specialized journal records "goods returned by the business"?
 A) Purchase journal
 B) Sales journal
 C) Purchase return journal
 D) Sales return journal
47. Office equipment's account is classified as ----- .
 A) Nominal account
 B) Real account
 C) Cash account
 D) Capital account
48. Single column cash book can have credit balance. **TRUE or FALSE.**
A) TRUE
B) FALSE
49. Cheque issued and debited in the Pass Book but omitted to be recorded in Cash Book would _____ the Cash book Balance.
 A) Overcast
 B) Undercast
 C) None of the above

Read the following para and attempt question no. 50 to 55.

A company purchased a machinery (i.e. first machinery) for ₹90,000 and spent ₹10,000 on its installation on 1st April, 2015. On 1st October 2016, another machinery(i.e. second machinery) costing ₹ 60,000 was purchased. On 1st April, 2017, company sold its machinery which was purchased on 1st April, 2015 for ₹ 75,000 and on 1st July 2017 purchased its third machinery for ₹24,000. Depreciation is calculated @10% p.a. as per straight line method.

50. Profit or loss on sale of first machinery is -----
A) ₹10,000
B) ₹ 8,000
C) ₹ 5,000
D) None of the above
51. Value of Second machinery as on 1st April 2018 is -----
A) ₹48,000
B) ₹ 51,000
C) ₹ 57,000
D) None of these
52. Depreciation on first machinery for the year 2017-2018 is -----
A) Nil
B) ₹10,000
C) ₹ 5,000
D) None of these
53. Depreciation on third machinery for the year 2017-2018 is -----
A) ₹2,400
B) ₹ 1,800
C) ₹ 1,200
D) None of these
54. Value of first machinery on 1st April 2016 is ----- .
A) ₹ 90,000
B) ₹ 81,000
C) ₹ 95,000
D) None of these
55. Depreciation on second machinery for the year 2017-18 is -----
A) Nil
B) ₹ 3,000
C) ₹ 6,000
D) None of these