



# Brain International School

Vikas Puri, New Delhi

## ASSIGNMENT NO. 1

**SUBJECT: ACCOUNTANCY**

**CLASS-XI**

**APRIL, 2025**

### Chapter: 1 INTRODUCTION TO ACCOUNTING

**Q1.** Pick the odd one out in context to the Communicating financing information to its users:

- a) Management
- b) Investors
- c) Financial Institutions
- d) Creditors

**Q2.** Which is the last step of accounting as a process of information?

- a) Identification of the transactions
- b) Preparation of financial statements
- c) Communication of financial information
- d) Analysis and interpretation of information

**Q3.** Which of the following is not a limitation of accounting?

- a) Window Dressing
- b) It ignores effect of price level changes
- c) It ignores qualitative elements
- d) Can be used as an Evidence in Court

**Q4.** Book-keeping mainly consists of which part of accounting process?

- a) Analysing
- b) Preparing financial statements
- c) Recording financial information
- d) Auditing the books of accounts

**Q.5** Identify the wrong statement:

- a) Business transactions are recorded in the books in chronological order.
- b) Journal is also called a book of primary entry.
- c) Withdrawal of cash from business by the proprietor for office use is shown as drawings.
- d) Discount given due to poor quality of goods is recorded as rebate and not as discount.

**Q6.** Explain the three branches of accounting.

**Q7.** Explain the four qualitative features of accounting information.

**Q.8** Differentiate between Accounting and Book Keeping on any four basis.

## **Chapter: 2 BASIC ACCOUNTING TERMS**

**Q1.** Which of the following is not recorded as 'Drawings' by the proprietor?

- a) Life insurance premium paid by the business.
- b) Income tax paid by the sole proprietorship firm.
- c) Cash withdrawn for personal use against the capital.
- d) Goods taken for personal use.

**Q2.** Assertion (A): Expenditure of revenue nature that give benefit for more than one accounting period is categorized as Deferred Revenue Expenditure.

Reason (R): A revenue expenditure, the benefit of which will accrue in more than one financial year and will be written off in the same manner (in more than one accounting period) is called Deferred Revenue Expenditure.

- a) Both Assertion and Reason are correct and Reason is the correct explanation of Assertion.
- b) Both Assertion and Reason are correct but Reason is not the correct explanation of Assertion.
- c) Only Assertion is correct.
- d) Only Reason is correct.

**Q3.** Discarding the old machinery due to new invention is called \_\_\_\_\_.

- a) Depletion
- b) Amortisation
- c) Obsolescence
- d) Depreciation

**Q4.** "Patents" are classified as

- a) Asset account
- b) Liability account
- c) Capital account
- d) Revenue account

**Q5.** Explain Trade Discount and Cash Discount with a suitable example.

**Q6.** Explain the following terms:

- a) Bad Debts
- b) Capital Expenditure
- c) Revenue Receipts

**Q7.** Differentiate between Expenditure and Receipt on three basis.