

BCM School, Basant Avenue ,Dugri Road, Ludhiana

Class XI

ASSIGNMENT

Subject: ACCOUNTANCY (055)

1. According to going concern, a business is assumed as having: - (1)
 - (a) A limited life
 - (b) An indefinite life
 - (c) A very long life.
 - (d) Life for 15 years
2. If the cost of 10 boxes costing Rs 15 each is charged to expenses, though each box has a decade long life, this follows the Principle. (1)
 - (a) Cost
 - (b) Conservatism
 - (c) Full disclosure
 - (d) Materiality.
3. Everything a firm owns, it also owes to some body. This is described by which concept? (1)
 - (a) Dual Aspect
 - (b) Going concern
 - (c) Money measurement.
 - (d) Cost concept
4. While preparing the accounts of company, the following issues are faced:
 - (a) Production manager is interested in recording goods industrial relations in accounts.
 - (b) Long-term success of the company is doubtful due to market competition.
 - (c) One of the shareholders of the company has invested his savings in the share of another company.

You are required to **(a)** state which accounting concept you would flow in dealing with each of the above problems and **(b)** explain briefly what each concept means. (3)
5. Ruma started business of stationery with Rs 15,00,000 as an initial Investment. Out of which, he paid for purchasing furniture and Rs 6,00,000 for buying stationery items. He employed a sales person and clerk. At the end of the month, he paid Rs 15,000 as their salaries. Stationery was sold for cash of and for Rs 3,00,000 on credit to Vijay. Subsequently, he bought stationery of Rs 4,50,000 from Anil. In the first week of next month, there was a fire and he lost 90,000 worth of stationery. A part of the furniture, which costed 1,20,000 was sold for 1,35,000.
Based on above, answer the following:
 - (i) What is the amount of capital with which Ruma started business?
 - (ii) What are the fixed assets he bought?
 - (iii) What is the value of the goods purchased?
 - (iv) Who is creditor and state the amount payable to him? (4)
6. From the following transactions, state the nature of accounts and state which account will be debited and which account will be credited. (5)
 - (a) Mohan started business with cash Rs 2,00,000
 - (b) Purchased goods for Cash Rs 1,00,000
 - (c) Sold goods for Cash Rs 11,50,000
 - (d) Sold goods to Ashok Rs 2,50,000
 - (e) Paid wages Rs 10,000