

**BCM SCHOOL, BASANT AVENUE, DUGRI ROAD LUDHIANA**  
**CLASS: XI**  
**SUBJECT: ACCOUNTANCY (055)**  
**ASSIGNMENT**

1	Use of common unit of measurement and common format of reporting promotes a) Comparability b) Understandability c) Relevance d) Reliability	1
2	Which of the following is not a business transaction? a) Bought furniture of Rs. 10,000 for business b) Paid for salaries of employees Rs. 5,000 c) Paid sons fees from her personal bank account Rs. 20,000 d) Paid sons fees from the business Rs. 2,000	1
3	The measuring rod of accounting should be stable over the years. When the rupee (a measuring rod) is not stable, should not it be discarded as the measuring unit.	3
4	Classify the following into Personal account; Real account or Nominal account. Land and Building; Excise Duty; Creditors; Capital; Goodwill; Bank Overdraft	3
5	Accounting provides information about the profitability any financial soundness of a concern. In addition, it provides various other valuable information also. However, accounting has certain limitations. Explain any three of such limitations.	3
6	Mr. A had been doing the business of manufacturing toys since 2008. During the year 2013, a likely loss of Rs 50,000 on account of bad and doubtful debts was foreseen in the business. A likely gain of 25,000 on account of getting discount on creditors was expected to be received. Mr. A ignored the loss due to bad debts and considered the gain due to discount on creditors while preparing final accounts. Which accounting concept will it violate? Explain the concept. X Ltd. gets a contract of Rs 100 crore to build a flyover to be completed in 3 years. The management of the company wants to show profit or loss on this contract only when the contract is completed. Is the management justified?	4
7	Vijay, a consultant, during the financial year 2020-21 earned Rs. 4,00,000. Out of which he received Rs. 3,50,000. He incurred an expense of Rs. 1,70,000, out of which Rs. 40,000 are outstanding. He also received consultancy fee relating to previous year Rs. 45,000 and also paid Rs. 20,000 expenses of last year. You are required to determine his income for the year if (i) He follows Cash Basis of Accounting and (ii) He follows Accrual Basis of Accounting.	4
8	Gopal started business for buying and selling of readymade garments with Rs 8,00,000 as an initial investment. Out of this he paid Rs 4,00,000 for the purchase of garments and Rs 50,000 for furniture and Rs 50,000 for computer and the remaining amount was deposited into the bank. He sold some of the ladies and kids garments for Rs 3,00,000 for cash and some garments for Rs 1,50,000 on credit to Rajesh. Subsequently, he bought men's garments of Rs 2,00,000 from Satish. In the first week of the next month, a fire broke out in his office and stock of garments worth Rs 1,00,000 was destroyed. Later on, some garments which cost Rs 1,20,000 were sold for Rs 1,30,000. Expenses paid during the same period were Rs 15,000. Gopal withdrew Rs 20,000 from business for his domestic use. From the above, answer the following: I. What is the amount of capital with which Gopal started the business?	6



	II. What fixed assets did he buy?	
	III. What is the value of the goods purchased?	
	IV. Who is the creditor and state the amount payable to him?	
	V. Who is the debtor and what is the amount receivable from him?	
	VI. What is the total amount of expenses?	