



GOLDEN GATE GLOBAL SCHOOL

Summer Holiday Homework 2024-25

Dear Students,

Children are amazing...cherish them

They are believable...trust them

They are childlike...let them

They are energetic...nourish them

Here now, be with them...

Innocent, delight in them... Magical, fly with them...

BONDING TIME

Holiday is the time that we all eagerly wait for. We all make plans to enjoy, to relax and to empower ourselves during these gala days. This summer vacation the Holiday Homework so designed by the mentors of the school is a medium for you all to achieve the motto of "Fun and Learn" The activity-based assignments will foster curiosity, develop creativity, enhance knowledge and instil the joy of learning among you all. They will certainly help you discover a new you who is more enriched and confident and performs every action to perfection. As it is well recognized that Golden Gate Global School not only focuses on academics but lay equal importance on Co-scholastic Competencies. The school also desires you to adhere to the following guidelines for a fulfilling break:

REMEMBER

- Neatness and presentation are common parameters for most of the activities assigned.
- Please maintain the quality of work done.
- Complete and submit the holiday homework according to the dates given. Note down these dates carefully as late submission after these dates is not acceptable and you will be losing the marks/grades for the same if you miss the date.
- Holiday homework will be assessed on certain parameters and marks/grade will be awarded accordingly.

GGGS ... Because YOU deserve THE BEST !!!

• Make sure that all syllabus done till May must be revised thoroughly in the last two weeks of June as it will help you to retain and adjust after the long break.

BE A WONDERFUL HUMAN BEING:

- Follow a schedule during holidays. Be a good time manager.
- Read newspapers daily and stay updated with current affairs.
- Do the homework independently, only ask for assistance from your parents or guardians.
- Give time to pursue your hobby.
- Appreciate nature and go for “Nature Walks”, plant trees and spread the message of Nature Conservation.
- Watch some good movies with your ward on love, compassion, humanity, kindness, forgiveness etc.
- Talk about the importance of parents and elders. Have at least 4-5 meals together.

Remember

“EVERY ACTION IS IMPORTANT AND EVERY DEED IS VITAL.....”

**Wishing all the students a joyful learning and Happy Holidays.
EXPLORE LEARNING TOGETHER...**

Important points to remember

- **The school will reopen on- GRADES IX-XII on 04/07/2024**
- The school office will remain OPEN during the summer vacation on all working days.
- Clear all kind of your dues (if any) at the earliest to avoid late fine and further inconvenience.

Dates for submission of Holiday homework

GRADES IX-XI GRADES IX-XII

08/07/2024- Economics & Bst

09/07/2024 – English & Maths

10/07/2024- Home Science, Computer Science & Accountancy

NOTE: Holiday Homework will not be accepted after the dates assigned.

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ECONOMICS

- ◆ A Questionnaire is a list of questions or items used to gather data from respondents about their attitudes, experiences or opinions.
- ◆ You are required to prepare a questionnaire based on Environmental awareness.
- ◆ Questionnaires must include Environment and Sustainable Development Goals questions.
- ◆ Questionnaire includes the following type of questions-[MINIMUM-10 QUESTIONS, MAXIMUM-15]

Open-ended questions

Closed-ended questions

Rating questions

Multiple choice questions

Picture choice questions

Demographic questions



Students are required to frame the questionnaire[google form] on the following topics given house wise.

WISDOM HOUSE - NO POVERTY

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COURAGE- QUALITY EDUCATION

PEACE-GENDER EQUALITY

FAITH- SUSTAINABLE CITIES AND COMMUNITIES

Purpose -The purpose is to create awareness about environmental and sustainable development goals.

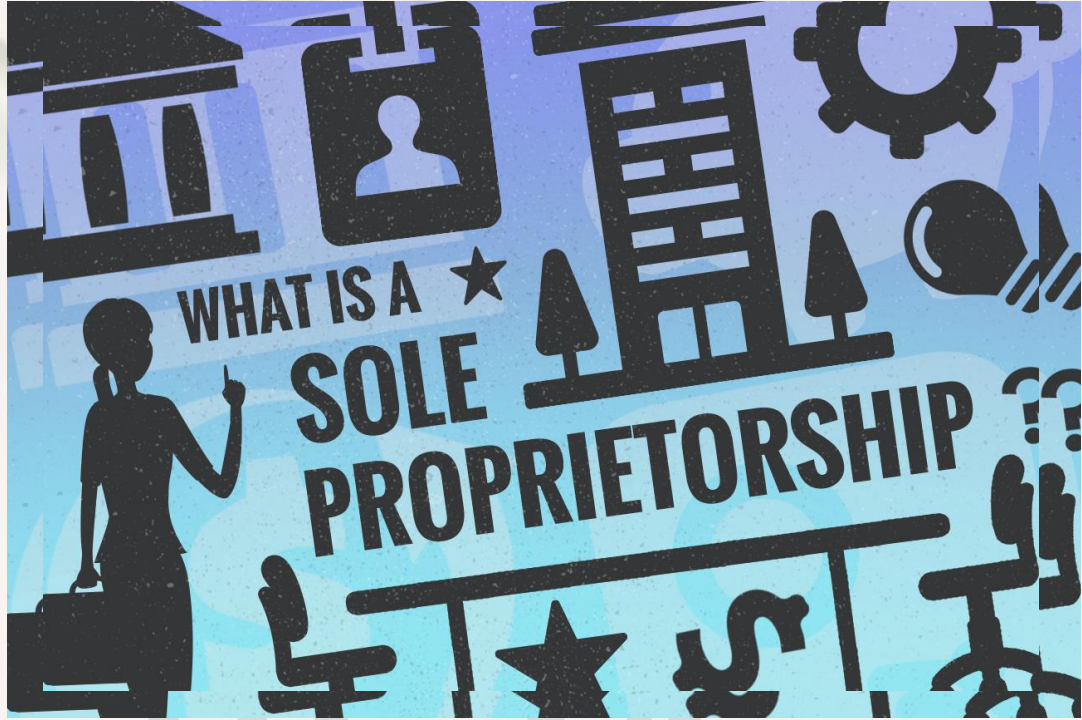
NOTE-SUBMIT THE LINK OF GOOGLE FORM of QUESTIONNAIRE ON infoggs@gmail.com

GGGS

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BUSINESS STUDIES

Create a Power Point Presentation on 'SOLE PROPRIETORSHIP' based on real life Case Study. The Power point Presentation should be developed in the following sequence.



1. Cover page should include the title of the project, student information, school and year.
2. Acknowledgement and Preface.
3. Introduction to Sole Proprietorship.
4. Features, advantages and disadvantages of Sole proprietorship.
5. Examples of Sole Proprietorship.
6. Draft a Case Study after analyzing a Sole Proprietorship firm and how to overcome the problems faced by them.
7. Conclusion.
8. References

Make sure to include statistics, diagrams and examples to make your presentation more engaging and informative. Good Luck.

Note: Students should submit the Pen drive to the subject teacher latest by 7 July, 2024.

The Project constitutes of 10 marks (5 marks each for PPT and Class presentation).

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ENGLISH

English Links

Reading Skills:

Worksheet – 5,6,7,8, 9 and 10

Writing Skill

Worksheet – 5, 6 and 7

Grammar:

Worksheet -40, 41, 42 and 43

Project – Prepare PPT on any one tribe of the world

"What are the unique cultural practices and traditions of various tribes in India and how do they contribute socially, economically, culturally to the diversity of human societies?"

Source – Snapshot Chapter 1 – The Summer of the Beautiful White Horse

Illustrations – GARO KHASI, GONDA, BANJARA Etc.

COMPUTER SCIENCE

Do mention the topics on the A4 sheet in the printed form and mention the page number on the footer of the page.

NAME OF THE STUDENT	TOPIC NAME
NANDINI ARORA	Overview of System Software: Operating Systems and Their Functions.
SAHEJ DINGRA	Introduction to the Hexadecimal Number System: Representation and Application in Computing and conversion techniques hexadecimal to octal, binary and decimal.
SHUBH SAPRA	Introduction to Memory: Primary, Cache, and Secondary Memory.
SHIVANSH PRATAP SINGH	Explaining the Central Processing Unit (CPU) and its Role in Computing.

Applied Mathematics

Do these numerical in your maths notebook.

- These are 20 students in an accountancy class and 30 students in an applied maths class. Find the number of students which are either in accountancy class or applied maths class in the following cases.
 - Two classes meet at the same period.
 - The two classes met at different periods and ten students are enrolled in both the courses.
- Write the set $\left\{\frac{1}{2}, \frac{2}{5}, \frac{3}{10}, \frac{4}{17}, \frac{5}{26}, \frac{6}{37}, \frac{7}{50}\right\}$ in the set-builder form.
- Write the cardinal number of the set of all integers x for which $\frac{30}{x}$ is a natural number.
- Write the power set of A, where $A = \{-1, 0, 2\}$.
- Let U be the set of all triangles in a plane. If A is the set of all triangles in that plane with at least one angle different from 60° , what is A' ?
- Let $U = \{1, 2, 3, 4, 5, 6, 7, 8, 9\}$, $A = \{1, 2, 3, 4\}$, $B = \{2, 4, 6, 8\}$ and $C = \{3, 4, 5, 6\}$. Find
 - A'
 - B'
 - $(A \cap C)'$
 - $(A \cup B)'$
 - $(A')'$
 - $(B - C)'$
- Let A and B be two sets such that $n(A) = 35$, $n(A \cap B) = 11$ and $n((A \cup B)') = 17$. If $n(U) = 57$, find
 - $n(B)$
 - $n(A - B)$
 - $n(B - A)$
- Out of 280 students in class XII of a school, 135 play Hockey, 110 play football, 80 play volleyball, 35 of these play hockey and football, 30 play volleyball and hockey, 20 play football and volleyball. Also, each student play at least one of the three games. How many students play all the three games?
- Two finite sets have m and n elements respectively. The total number of subsets of the first set is 192 more than the total number of subsets of the second set. Find the values of m and n.
- If A and B are two sets and U is the universal set such that $n(U) = 700$, $n(A) = 290$, $n(B) = 240$ and $n(A \cap B) = 110$, then find $n(A' \cap B')$.
- If the ordered pairs $(x - 1, y + 3)$ and $(2, x + 4)$ are equal, find x and y.
- If $A = \{1, 2\}$ and $B = \{1, 3\}$, find $A \times B$ and $B \times A$.

HOME SCIENCE

1. Record your own diet for a day. Mention the quantities as well. (What all you eat in a day, along with the quantities)
2. Prepare a toy/game for a preschool child. (The toy/game should be attractive and colorful, it should be well apt for 3-5 years of age; it should cover atleast one domain of development -physical, motor/cognitive/social or emotional development)
3. Prepare videos of cooking a dessert and a snack. The video should be well informative, with the quantities and process in detail. No write is required for it.

Points to remember:

1. It should be neat and presentable.
2. Present it on a A4 size sheet, one side ruled, one side blank. These sheets can be put inside a file or a folder.
3. In preparation of toy, just mention which domain is covered and why.

ACCOUNTANCY
INTRODUCTION TO ACCOUNTING

Q.1 Assertion: Accounting is a way to facilitate the communication of information to users of accounting information.

Reason: Each step of Accounting provides information which is communicated to the users.

In the context of the above two statements, which of the following is correct?

Code:

- (A) Both (A) and (R) are correct and (R) is the correct reason of (A).
- (B) Both (A) and (R) are correct but (R) is not the correct reason of (A).
- (C) Only (R) is correct.
- (D) Both (A) and (R) are wrong.

Q.2 Which qualitative characteristics of accounting information is reflected when accounting information is clearly presented?

- a. Understandability
- b. Relevance
- c. Comparability
- d. Reliability

Q.3 Which of the following is not a limitation of Accounting?

- (a) Based on Accounting conventions.
- (b) Evidence in legal matters
- (c) Incomplete information
- (d) Omission of Qualitative Information

Q.4. Which of the following is/are incorrect for Double entry system?

- I. Any transaction will be recorded twice
- II. Any transaction will have only effect on two accounts only
- III. Any transaction will have equal effect on debit and credit
- IV. Any transaction will be recorded at least in two accounts

Select from the following options: -

- (a) (I) and (III) are correct
- (b) (II) correct only
- (c) (I) and (II) are incorrect
- (d) All are correct

Q.5 Which of the following is an incorrect statement:

- a) accounting records financial transactions.
- b) Recorded transactions are posted to ledger.

- c) The quality of management is duly recorded in accounts.
- d) Trial balance is prepared from ledger balances.

Q:6 A businessman shows all his personal petrol bills, restaurant bills as business expenses thereby reducing his business income so as to avoid taxation. Which limitation of Accounting does it refer to?

- i) Accounting is not fully exact.
- ii) Window dressing
- iii) Accounting ignores price level changes.
- iv) Accounting ignores qualitative elements

Q.7 On 31st March 31, 2022 after sale of goods worth ₹2,000, there is closing stock of ₹10,000. This is:

- a. An event
- b. A transaction
- c. A transaction as well as event
- d. Neither a transaction nor an event

Q. 8 Which of the following is not a qualitative characteristics of accounting information:

- a. Reliability
- b. understandability
- c. comparability
- d. materiality

Q.9 It is process of grouping the transactions of one nature at one place so to put information in compact and usable form.

- a. Recording
- b. Classifying
- c. Summarising
- d. Interpretation of results

Q.10 It is that subfields of accounting which is helpful to fix the selling price of product.:

- a. Financial Accounting
- b. Tax Accounting
- c. Cost Accounting
- d. Human Resources Accounting

Q.11 It involves presenting the classified data in such a manner so that it can be easily understandable and useful for internal as well as external user of accounting.

- a. Recording
- b. Classifying
- c. Summarising
- d. Analysis and Interpretation of results

Q.12 It is that subfields of accounting which is helpful for management in decision making and making forward planning.:

- a. Financial Accounting
- b. Tax Accounting
- c. Cost Accounting
- d. Management Accounting

Q.13 Which of the following transaction will be recorded in books of accounts?

- a. Order received from customer for supply of goods of ₹50,000
- b. Purchases a Scooter of ₹20,000 for personal use and paying amount from personal saving account.
- c. Personal LED sold for ₹12,000 and given that money as advance to suppliers for supply of goods.
- d. Conducting interview and selecting Ramesh as an accountant on monthly salary of ₹42,000.

Q. 14 Aashi and Akshat both brother and Sister took commerce after their Secondary Examination. Aashi said she is influenced how accounting helps in budgetary control along with planning and Controlling

While Akshat focused her direction, while doing so many firms do not think about management and worker relationship. He further added he is motivated how basic study enables a firm to have in depth Knowledge About other firms

- a. Which Type of user is Focused by Akshat
 - a. External users
 - b. Internal Users
 - c. Both a and b
 - d. None of the Above
- b. Name the Branch of Accounting Focused by Aashi ?
 - a. Cost Accounting
 - b. Financial Accounting
 - c. Management Accounting
 - d. Fund Accounting

Q.15 Choose the correct sequence

- a. Identifying, Summarising, Classifying, Recording
- b. Identifying, Recording, Summarising, Classifying,
- c. Identifying, Recording, Classifying, Summarising.
- d. Identifying, Summarising, Recording, Classifying,

Q.16 Creditors of the business want to know:

- a. Profitability of the business
- b. Capability of the business to pay higher salaries
- c. Creditworthiness of the business
- d. Employment opportunities

Q.17 Which of the following transaction will not be recorded in financial accounting?

- a. Goods withdrawn by proprietor for personal use
- b. Proprietor sold his household furniture and bring the money in business
- c. Goods gifted to the maternal uncle

Q.18 Which of the following is the qualitative characteristic of Accounting?

- a. Recording
- b. Classifying
- c. Relevance
- d. All of the above

Q.19

Match characteristics of accounting information with their explanation:

Column A	Column B
I Reliability	(i) Clear presentation of accounting information
II Comparability	(ii) Use of common format and common unit
III Relevance	(iii) Verifiable and free from personal bias
IV Understandability	(iv) Availability of information on time

- a. I-(iii) ; II – (ii) ; III- (iv) ; IV –(i)
- b. I-(i) ; II – (ii) ; III- (iii) ; IV –(iv)
- c. I-(ii) ; II – (i) ; III- (iv) ; IV –(iii)
- d. I-(iii) ; II – (iv) ; III- (i) ; IV –(ii)

Q.20 Consider the following statements about the limitations of accounting and identify the correct statements

- i. It contains only that information which can be expressed in terms of money
- ii. It may be affected by window dressing i.e. manipulation in accounts
- iii. It help owners to compare one year’s results with those of other years to locate the factors which leads to changes
- iv. It is not free from personal bias and personal judgment of the people dealing with it

- a. (i) &(ii)
- b. (i), (ii) & (iii)
- c. (i), (ii) & (iv)
- d. (ii), (iii) & (iv)

Q21. A language of business is known as:

- (a) Accountancy
- (b) Accounting
- (c) a and b both
- (d) All of these

Q22. Who is the father of accounting?

- (a) Luca Pacioli
- (b) Charles Babeje
- (c) Henry Fayol
- (d) F. W. Taylor

Q.23 i) Double entry system can minimize the possibilities of frauds and mis-appropriations.

ii) Every debit must have its corresponding credit

iii) single entry system is the complete system of maintaining records of the financial transaction

iv) The arithmetic accuracies can be checked by preparing the trial balance in the single-entry system

- a) Option (i) and option (ii) are the correct statement.
- b) Option (ii) and option (iii) are the correct statement
- c) Option (i) and option (iii) are the correct statement
- d) Option (iv) and option (ii) are the correct statement

Q.24 Direction: The following items consist of two statements, Statement I and Statement II. Examine these two statements carefully and select the correct answer

Statement I: Business Organization involves economic events.

Statement II: A transaction is any event or condition, such as buying or selling that must be recorded in the financial records of a business.

- a. Both the statements are correct
- b. Both the statements are incorrect
- c. Statement I is correct but Statement II is incorrect
- d. Statement II is correct but Statement I is incorrect

Q.25 Assertion: Accounting records only those transactions and events which can be measured in terms of money

Reason: The Quality of staff or skills of management are ignored.

- a. A and R are true and R is the correct explanation of A
- b. A and R are true and R is not the correct explanation of A
- c. A is true but R is false
- d. A is false but R is true

1. Which of the following statement is not true about Book Keeping?

- a. Book keeping is the basis for Accounting
- b. Book keeping is to be performed by a trained staff
- c. Book Keeping is mechanical in nature
- d. Book Keeping is a routine job.

Q.26 In Book keeping:

- a. All transactions are recorded in primary books
- b. Posting is done in the ledger from the primary books
- c. Total of ledger accounts and balance of those accounts are calculated
- d. All the above

Q:27 Double entry accounting requires that :

- a. All transactions that create debits to asset accounts must create credits to liability or capital account;
- b. A transaction that requires a debit to a liability account require a credit to an asset account;
- c. Every transaction must be recorded with equal debits and credits
- d. None of the above

Q:28 A businessman shows all his personal petrol bills, restaurant bills as business expenses thereby reducing his business income so as to avoid taxation.

Which limitation of Accounting does it refer to?

- i) Accounting is not fully exact.
- ii) Window dressing
- iii) Accounting ignores price level changes.
- iv) Accounting ignores qualitative elements.

BASIC TERMS

Q.1 Which of the following is not a Revenue Expenditure?

1. Purchase of raw materials
2. Purchase of office furniture
3. Payment of salary
4. Repair of Machinery

Q.2 What will be the amount of profit in case of following, under cash basis of accounting? Income received in advance ₹ 50,000; Accrued Income ₹ 3,000; Salaries paid ₹ 70,000 (including ₹ 5,000 of previous year) and Total sales (30% on credit basis) ₹ 1,00,000

- (a) ₹ 70,000
- (b) ₹ 53,000
- (c) ₹ 1,20,000
- (d) ₹ 50,000

Q.3 Assertion: advertisement expenditure is a fictitious asset.

Reason: fictitious assets are losses not written off in the year in which they are incurred but in more than one accounting.

Alternatives:

- (a) Both Assertion (A) and Reason (R) are True and Reason (R) is the correct explanation of Assertion (A).
- (b) Both Assertion (A) and Reason (R) are True and Reason (R) is not the correct explanation of Assertion (A).
- (c) Assertion (A) is True but Reason (R) is False.
- (d) Assertion (A) is False but Reason (R) is True.

Q:4 A Bill Receivable for ₹10,000 received from Ramesh, discounted from the bank gets dishonoured. This amount of ₹10,000 will be treated as:

- i) Bad debt ii) Dues recoverable from Ramesh. iii) Dues towards bank. iv) Bad debt recovered.

Q.5 Building having book value of ₹10,00,000 is sold for ₹12,00,000. ₹2,00,000 will be recorded in which account and termed as what?

- a. Sales A/c; Profit
- b. Profit and Loss A/c; Gain
- c. Building A/c; Profit
- d. Sales A/c; Gain

Q.6 Amount paid or payable against purchase of goods is

- a. Revenue expenditure
- b. capital expenditure
- c. both A and B
- d. none of these

Q.7 Current assets do not include

- (A) Debtors
- (B) Motor Car
- (C) Bank Balance
- (D) Prepaid Expenses

Q.8 On 31/03/2020 after selling of goods, unsold goods valued by businessmen ₹40,000. It is treated as :

- a. An Event
- b. A Transaction
- c. A transaction as well as an event
- c. Neither transaction nor event

Q.9 ₹50,000 spent on travelling expenses by proprietor on a trip abroad for purchase a latest machinery will be treated as :

- a. Revenue Expenditure.
- b. Capital Expenditure
- c. Deferred Revenue Expenditure
- d. Prepaid Expenses

Q.10 Consider the following items:

- 1. Loan from Bank
- 2. Bank Balance
- 3. Bank Overdraft

Q.11 Current Liabilities includes:

- a. Both (1) and (2)
- b. Both (2) and (3)
- c. Only (1)
- d. Only (3)

Q.12 Building book value ₹8,00,000 sold for ₹9,20,000. So, ₹1,20,000 will be treated as

- a. Profit
- b. Income
- c. Revenue
- d. Gain

Q.13 As Per Discussion with Public relation Team on Account of Festivals Like Dussehra , Diwali etc Haldiram should offer a discount bulk purchase . This would enable generation of much Profits
Name the type of Discount discussed above :-
a. Rebate b. Trade Discount c. Cash Discount d. Stock Clearance discount

1. Find the odd one out
a. Sundry Creditors b. Bills Payable c. Overdraft
d. Debentures

Q.14 Find the odd one out:
a. Patent
b. Computer Software
c. Goodwill
d. Investment

Q.15 Assertion (A): Capital expenditure is incurred for the purpose of acquiring fixed asset.

Reason (R): Capital expenditure item is shown in the asset side of the Balance Sheet.

- a. Both, A and R, are true and R is the correct explanation of A
- b. Both, A and R, are true but R is not the correct explanation of A
- c. If A is true but R is false
- d. If A is false but R is true

Q16. Inventory valued at:
(a) Cost price
(b) Market price
(c) Cost price or Market price, whichever is less
(d) Cost price or Market price, whichever is more

Q.17 A) The money measurement concept states that only the money related transactions can be recorded in the books of accounts.
R) The creativity of the employee that contributes to the profit in the Research Department can be recorded under the money measurement Concept.

- a) Option (i) is the correct Statement
- b) Option (ii) is the correct Statement
- c) Both Option (i) and (ii) are the correct Statement
- d) None of the Option is the correct Statement

Q.18 The rent paid for 11 months is ₹11,000 for the premises used for one year. Identify the term used for rent to be paid for one month:

- a. Prepaid expense
- b. Accrued Expense
- c. Outstanding expense
- d. None of the above

Q.19 Amisha started business with cash ₹ 5,00,000, loan from friend. ₹ 2,00,000 and assets ₹7,00,000. Calculate the amount of Internal liability for her?

- a. ₹12,00,000
- b. ₹14,00,000
- c. ₹5,00,000
- d. ₹2,00,000

Q.20 Match the following:

a. Salary A/c	i. Personal A/c
b. Outstanding rent A/c	ii. Nominal A/c
c. Building A/c	iii. Real A/c
d. Loan A/c	iv. Representative personal A/c

- A. a(i)b(ii)c(iii)d(iv)
- B. a(ii)b(iv)c(iii)d(i)
- C. a(iii)b(ii)c(i)d(iv)
- D. a(iv)b(ii)c(iii)d(i)

Q.21 Assertion (A): Trade discount improves sales by encouraging the purchaser to buy large quantities.

Reason (R): Trade discount is not shown separately but purchases or sales is recorded at value after Trade discount.

- a. A & R are true and R is the correct explanation of A.
- b. A & R are true but R is not the correct explanation of A.
- c. A is true, but R is false.
- d. A is false but R is true.

Q:22 A Bill Receivable for ₹10,000 received from Ramesh, discounted from the bank gets dishonoured. This amount of ₹10,000 will be treated as:

- i. Bad debt
- ii. Dues recoverable from Ramesh.
- iii. Dues towards bank.
- iv. Bad debt recovered.

CASE STUDY

Mr sunrise started a business for buying and selling of stationery with ₹5,00,000 as an initial investment. Of which he paid ₹1,00,000 for furniture ₹2,00,000 for buying stationery items. He employed a salesperson and clerk. At the end of the month, he paid ₹5,000 as their salaries. Out of the stationery bought he sold some stationery for ₹1,50,000 for cash and some other stationery for ₹1,00,000 on credit basis to Mr Ravi. Subsequently he bought stationery items of ₹1,50,000 from Mr Peace. On suggestion of his son, he bought a printer cum scanner also for ₹2,00,000. In the first week of next month there was a fire accident and he lost ₹30,000 worth of stationery. A part of the furniture which cost ₹40,000 was sold for ₹45,000

From the above answer the question Number 3 to 5:

1. Total value of fixed assets in the business now is :

- a. ₹60,000
- b. ₹6,60,000
- c. ₹5,60,000
- d. ₹2,60,000

2. The expenses in the business are

- a. ₹3,55,000
- b. ₹5,000
- c. ₹55,000
- d. ₹35,000

3. What is the gain earned by Mr Sunrise

- a. ₹5,000
- b. ₹55,000
- c. ₹50,000
- d. ₹25,000

THEORY BASE OF ACCOUNTING

Q.1 Assertion: Interview for the post of Finance Manager is recorded in the books of Accounts.

Reason: All transactions measurable in money terms are recorded in the books of Accounts.

In the context of the above two statements, which of the following is correct?

Code:

- (A) Both (A) and (R) are correct and (R) is the correct reason of (A).
- (B) Both (A) and (R) are correct but (R) is not the correct reason of (A).
- (C) Only (R) is correct.
- (D) Both (A) and (R) are wrong.

Q.2 A concept that a business enterprise will not be sold or liquidated in the near future is known as :

- (a) Going concern (b) Economic entity
- (c) Monetary unit (d) None of the above

Q.3 The owner of the firm records his medical expenses in the firm's income statement.

Indicate the principle that is violated.

- (a) Cost principle
- (b) Prudence
- (c) Full Disclosure
- (d) Entity concept

Cost of Machinery: ₹ 10,00,000

Installation Charges: ₹ 1,00,000

Market value on 31.3.2016 ₹ 12,00,000

Q.4 While finalizing the accounts, if the company values its machinery at ₹ 12,00,000. Which

concept is violated by company?

- (a) Conservatism
- (b) Realisation
- (c) Going concern
- (d) Cost concept

Q.5 Possibility of creation of secret reserve relates to which of the following accounting concept

- a) historical cost principle b) prudence principle
- c) matching concept d) money Measurement Concept

Q:6 Case Study:

The Proprietor of a business wants to buy a car. But his family members don't approve him to buy as the month of Shrad has begun. The Proprietor finds out a way. He buys the car, makes half the payment and the bill is made in his name but he asks the vendor to keep the car in the showroom itself and he will take delivery only after Shrad. In the meantime, a fire broke out in the showroom destroying the car.

When should the vendor assume Revenue be recognised?

- i. At the time when the bill is made in the name of the buyer.
- ii. No Revenue should be recognised as the money has to be returned back.
- iii. When rest half of the payment will be received.
- iv. When the claim from the Insurance Company will be received

Q.7 A proprietor, Mr. X has reported a profit of ₹1,25,000 at the end of the financial year after taking into consideration the following amount:

- (i) The cost of an asset of ₹25,000 has been taken as an expense.
- (ii) Mr. X is anticipating a profit of ₹10,000 on the future sale of a car shown as an asset in his books.
- (iii) Salary of ₹7,000 payable in the financial year has not been taken into account.

Q.8 On the basis of the above facts, which concept should be followed in statement (ii) and (iii):

- a. Historical cost; Conservatism
- b. Materiality; Accrual
- c. Accrual; Conservatism
- d. Conservatism; Accrual

Q. 9 Sale is recognised on the basis of cash memo or invoice. Name the accounting concept involved:

- a. Revenue recognition
- b. Matching concept
- c. Verifiable objective concept
- d. None of the above

Q.10 ASSERTION (A): As Per The Prudence Principle 'Closing Stock Is Valued At Cost Price Or Its Net Realizable Value Whichever Is Less.

REASONING (R): So that a business firm cannot show the better picture than what it actually is.

- a. Both Assertion and Reason are correct and Reason is the correct explanation of the Assertion.

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

Q11. Best Stationeries Mart purchased a goods of ₹30,00,000 and sold 2/3 of the goods amounting ₹25,00,000. Direct Expenses during the year ₹1,50,000: The accountant of the firm calculated the profit of business ₹4,00,000. Which of the accounting concept was followed by him?

- a. Matching Concept
- b. Going concern Concept
- c. Revenue recognition Concept
- d. Objectivity Concept

Q.12 Everything a firm owns , it also owes out to somebody. This coincidence is explained by the -----Concept. :

- a. Business Entity
- b. Money Measurement
- c. Prudence
- d. Dual Aspect

Q.13 Due to which accounting concept/convention “Provision for discount on creditors is not created” ::

- a. Convention of Materiality
- b. Objectivity Concept
- c. Convention of Full Disclosure
- d. Convention of Prudence

Q.14 Alfa Furniture House purchased a building for ₹50,00,000. After a period of 3 years the total depreciation charged ₹15,00,000. However due to boom in property market, the current market value of property is now ₹80,00,000. State the value and Accounting concept on the basis of which building should be recorded in books.:

- a. ₹ 80,00,000 and Going Concern Concept
- b. ₹ 50,00,000 and Cost Concept
- c. ₹ 35,00,000 and Historical Cost Concept
- d. ₹ 80,00,000 and Realization Concept

Q.15 Sale is recognized as revenue: :

- a. When the contract for sale is entered into.
- b. when title of goods transfer
- c. when money collected from customers
- d. after the expiry of credit period allowed to customers

Q.16 Claim of ₹5,00,000 made by a worker in court due to major injury at the time of working in factory” it will be shown as foot note in Balance Sheet as per:

- a. Matching Concept
- b. Going concern Concept
- c. Revenue recognition Concept
- d. Full Disclosure Concept

Q.17 Mr. Mohan commenced business on 01/01/2020 with capital of ₹1,00,000 and he will get interest on capital @ 10% p.a. Calculate interest on capital on 31/03/2020 and according to which accounting concept interest allowed to Mr. Mohan as he is owner of his business.

- a. ₹ 10,000 and Money Measurement Concept
- b. ₹ 10,000 and Matching Concept
- c. ₹ 2,500 and Business Entity Concept
- d. ₹ 5,000 and Accrual Concept

Q.18 Due to which accounting concept/convention “Expenditure are classified into Revenue Expenditure and Capital expenditure” ::

- a. Convention of Materiality
- b. Going Concern Concept
- c. Convention of Full Disclosure
- d. Convention of Prudence

Q.19 Beta Furniture House purchased pens and calculators of ₹780. These had all been issued to employees and were still in use at the end of year. Accounting to which accounting concept it will be treated as stationeries expenses and transfer to debit side of profit and loss account.:

- a. Going Concern Concept
- b. Cost Concept
- c. Materiality concept
- d. Realization Concept

Q.20 Accounting Standards are formulated by....

- a. Company Act
- b. Central Government
- c. Finance Ministry
- d. Institute of Chartered Accountant of India

Q.21 Accounting Standards are useful:

- a. For Investors
- b. For Outside Parties
- c. For Auditors
- d. For all of the above

Q.22 Ind-AS are a set of accounting standards notified by...

- a. Company Act, 2013
- b. Central Government
- c. Finance Ministry
- d. RBI

Q.23 Assets = Liabilities + Capital is developed with the help ofconcept

- a. Business entity concept
- b. Matching principle
- c. Going concern concept
- d. Dual aspect concept

Q.24 Assertion (A): An accountant has recorded advance received against sale of goods as 'advance against sale' and not sales.

Reason (R): Revenue is considered to have been recognised when a transaction has been entered into and the obligation to receive the amount has been established

- a. Both, A and R, are true and R is the correct explanation of A
- b. Both, A and R, are true but R is not the correct explanation of A
- c. If A is true but R is false
- d. If A is false but R is true

Q.25 "There should be complete and understandable reporting on the financial statements of all significant information relating to the economic affairs of the entity." Name the relevant accounting principle

- a. Matching
- b. Historical cost
- c. Full disclosure
- d. Materiality

Q.26 Match the Following

Column I	Column II
A. Entire Life if a business should be divided into time intervals	i. Consistency Concept
B. Provision for Bad debts to made consistently over the Years	ii. Materiality
C. Exception to Full Disclosure	iii. Prudence Principle
D. Closing Stock is valued at realisable value	iv. Accounting Period

- | | A | B | C | D |
|-----|----|-----|-----|-----|
| (a) | iv | ii | i | iii |
| (b) | iv | iii | ii | i |
| (c) | iv | i | ii | iii |
| (d) | iv | i | iii | ii |

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Q.27 A building was purchased for Rs.500000 The market value of the building is Rs.6,00000. The cost that should be recorded in books of accounts is

- (a) ₹500000 (b) ₹600000 (c) ₹1100000 (d) ₹100000

Q.28 Sara, proprietor of Bhasin Stores, has withdrawn some goods from business for her personal use. Which accounting principal insists that drawing made by proprietor should be recorded in the accounting books of business?

- a. Money Measurement
- b. Accounting period
- c. Business Entity
- d. Full disclosure

Q.29 ASSERTION (A) : According to Accrual assumption, transactions are recorded when they are entered into whether amount is exchanged or not.
REASON (R) : Accordingly, Expense is regarded as incurred when the goods or services are purchased or availed and an obligation to pay for them is assumed.

- a. A & R are true and R is the correct explanation of A.
- b. A & R are true but R is not the correct explanation of A.
- c. A is true, but R is false.
- d. A is false but R is true.

Q.30 ASSERTION (A) : Transactions and events that can be measured in money terms are recorded in the books of account.

REASON (R): Good industrial relations cannot be recorded in the books.

- a. A & R are true and R is the correct explanation of A.
- b. A & R are true but R is not the correct explanation of A.
- c. A is true, but R is false.
- d. A is false but R is true.

Q.31 ASSERTION (A) : Convention of Conservatism takes into account all prospective losses but leaves out prospective profits.

REASON (R) : All expenses of a period are deducted from revenues of the same period for calculation of income due to Matching principle.

- a. A & R are true and R is the correct explanation of A.
- b. A & R are true but R is not the correct explanation of A.
- c. A is true, but R is false.
- d. A is false but R is true

Q.32 Raghav charged depreciation during the year 2016-17, 2017-18 at straight line method and for next year at diminishing method. Again, in the year 2019- 20 he shifted to straight line method. The principal violated here is

- a. **Principle of consistency**
- b. Principle of conservatism
- c. Full disclosure principle
- d. Materiality principle

Case Study:

The Proprietor of a business wants to buy a car. But his family members don't approve him to buy as the month of Shrad has begun. The Proprietor finds out a way. He buys the car, makes half the payment and the bill is made in his name but he asks the vendor to keep the car in the showroom itself and he will take delivery only after Shrad. In the meantime, a fire broke out in the showroom destroying the car.

When should the vendor assume Revenue be recognised?

- i. At the time when the bill is made in the name of the buyer.
- ii. No Revenue should be recognised as the money has to be returned back.
- iii. When rest half of the payment will be received.
- iv. When the claim from the Insurance Company will be received

BASIS OF ACCOUNTING

CASE STUDY

Nitin, a dealer in stationery, earned ₹6,00,000 during the financial year 2020-21 out of which ₹4,30,000 was received in cash. He purchased stationery for ₹2,00,000 in cash and for ₹1,00,000 on credit. He used stationery of ₹10,000 for personal purposes. He received an order to supply stationery of ₹50,000 for which he received ₹15,000 as advance. Stationery was to be supplied during April 2021. He paid ₹18,000 to Kumar & Sons in advance for stationery to be supplied in May 2021.

On the basis of above case study, answer the following questions:

- 1. According to Accrual basis, Expense during the year amounted to:
 - A. ₹2,90,000
 - B. ₹3,00,000
 - C. ₹3,08,000
 - D. ₹3,18,000
- 2. According to cash basis, revenue is:
 - A. ₹6,00,000
 - B. ₹4,30,000
 - C. ₹1,70,000
 - D. ₹3,10,000

Q.1 Under the Companies Act, all companies are required to maintain their accounts according to-

- (a) Accrual Basis
- (b) Cash Basis
- (c) Either Cash or Accrual Basis
- (d) None of these

Q.2 Which of the following is not an advantage of accrual basis of accounting

- a) it makes complete record of all cash as well as credit transaction.
- b) it ascertains correct profit or loss.
- c) This basis is recognised under Companies Act 2013.
- d) it is more simple as compared to cash basis.

Q:3 Assertion: Accrual basis of Accounting forms the basis of Revenue Recognition Principle. Reason: Revenue is assumed to be recognised when the bill is made in the name of the buyer and he is under an obligation to pay the amount. i) Both Assertion and reason are correct and reason is the correct explanation of the assertion. ii) Both Assertion and reason are correct and reason is not the correct explanation of the assertion. iii) Assertion is correct but reason is wrong.

iv) Assertion is correct but reason is wrong.

Q.4 Ajay, a consultant, during the year 2021-22 earned ₹4,00,000 (out of which 80% is received). He incurred expenses of ₹2,50,000 (out of which 40% is due). During the year, he also received consultancy fee of ₹80,000 relating to 2020-21 and also paid expenses of ₹30,000 of last year. You are required to determine his income for the year ended 2021-22, if he follows accrual basis of accounting:

- a. ₹ 1,90,000
- b. ₹ 1,50,000
- c. ₹ 1,70,000
- d. ₹ 2,20,000

Q.5 In Cash Basis of Accounting Income of profit is calculated with the help of :

- a. Receipts and Payments Account
- b. Receipts and Expenditure Account
- c. Income and Expenditure Account
- d. Income and Payment Account

Q.6 The following are the information of a legal firm during the year 2019-20.

Fees earned during 2019-20	7,00,000 (Only 80% yet received)
Salary to staff	4,50,000(out of which 20,000 advance)
Rent of Building	42,000 (Still unpaid)

What will be income of firm if using Cash Basis of Accounting. :

- a. Rs, 1,08,000
- b. Rs. 68,000
- c. Rs. 1,10,000
- d. Rs. 2,28,000

Q.7 Accrual Basis of accounting

- a. Accrual Basis of accounting gives a true and fair view of profit and Financial Position
- b. Accrual Basis of accounting does not gives a true and fair view of profit and Financial Position
- c. Records on Cash aspects
- d. None of the Above

Q.8 During 2020-21; the cash sales of M/s Bhatia and bros. was amounted to Rs. 5,00,000 whereas the credit sales were ₹3,00,000. The expenses of ₹4,00,000 were made during the year and expense of ₹50,000 is still outstanding. What would be the income of M/s Bhatia and Bros. for the year ended 31st March 2021, if accounts were prepared following the Accrual Bases of Accounting?

- a. 3,50,000
- b. 1,00,000
- c. 4,00,000
- d. 50,000

Q.9 Assertion (A) : Cash Basis of Accounting doesn't ascertain the correct amount of profit or loss.

Reason (R) : Under cash basis of accounting only cash transactions are recorded irrespective of their time period.

- a. Both A and R are true and R is the correct explanation of A.
- b. Both A and R are false and R is not the correct explanation of A.
- c. A is true, but R is false
- d. A is false, but R is true

Q.10 i) According to cash basis the receipt or payment due are ignored.

ii) As per the accrual basis the revenue and costs are recognized when incurred

iii). Office Rent for the month of Dec'20 paid in Jan'21 is recorded in Jan'21

- a. Option (i),(ii) and (iii) is the correct statement
- b. Option (i) and (iii) is the correct statement
- c. Option (ii) and (iii) is the correct statement
- d. Option (i) and (ii) is the correct statement

Q.11 i) According to cash basis the receipt or payment becomes due are ignored.

ii) As per the accrual basis the revenue and costs are recognized when it occurred

iii. Office Rent for the month of Dec'20 paid in Jan'21 is recorded in Jan'21.

- a) Option (i) and (ii) is the correct statement
- b) b) Option (i), (ii) and (iii) is the correct statement
- c) Option (i) and (iii) is the correct statement
- d) Option (ii) and (ii) is the correct statement

Q.12 Which of the following is a true statement?

a. Accrual Basis is more complicated than Cash basis.

b. Cash basis of accounting records only cash transactions whereas Accrual basis records only credit transactions.

c. Cash basis is more reliable than Accrual Basis.

d. Accrual basis is not recognised by Indian Companies Act 2013

Q.13 Assertion: Accrual basis of Accounting forms the basis of Revenue Recognition Principle.

Reason: Revenue is assumed to be recognised when the bill is made in the name of the buyer and he is under an obligation to pay the amount.

i) Both Assertion and reason are correct and reason is the correct explanation of the assertion.

ii) Both Assertion and reason are correct and reason is not the correct explanation of the assertion.

iii) Assertion is correct but reason is wrong.

iv) Assertion is correct but reason is wrong.

ACCOUNTING EQUATION

Q.1 Assertion : Accounting equation signifies that the assets of a business are always equal to the capital (owner's equity).

Reason : At any point of time resources of the business entity must be equal to the claims of those who have financed these resources.

In the context of the above two statements, which of the following is correct?

Codes:

- a. (A) is correct, but (R) is wrong.
- b. Both (A) and (R) are correct.
- c. (A) is wrong, but (R) is correct.
- d. Both (A) and (R) are wrong.

Q.2 Sale of goods on credit to Ram for ₹ 3,000 will bring about what changes in the accounting equation?

- (a) Debtor's Account will decrease by ₹ 3,000, goods will increase by ₹ 3,000
- (b) Debtor's Account will increase by ₹ 3,000 while goods will decrease by ₹ 3,000
- (c) Debtor's Account will increase by ₹ 3,000 while Cash will increase by ₹ 3,000.
- (d) Debtor's Account will increase by ₹ 3,000 while Cash will decrease by ₹ 3,000.

Q.3 X commenced business on 1st April 2013 with the capital of ₹ 100000. Find out the capital after providing interest on capital and charging interest on drawings interest on capital allowed is ₹ 5,000 and interest on drawing charged is ₹ 2000.

- a) 1,00,000
- b) 1,05,000
- c) 98,000
- d) 1,03,000

Q:4 Assertion: A transaction in which there is an increase in one asset with a corresponding decrease in capital (only) is not possible.

Reason: Accounting Equation establishes the Equality between the sum of Assets and the Sum of Liabilities and Capital.

i. Both Assertion and reason are correct and reason is the correct explanation of the assertion.

- ii. Both Assertion and reason are correct and reason is not the correct explanation of the assertion.
- iii. Assertion is correct but reason is wrong
- iv. Assertion is correct but reason is wrong

Q.5 Calculate Owner's Equity (Capital) as on 31.03.2021 from the following information: Total Assets as on 31.03.2020 ₹ 2,00,000; Outside Liabilities as on 31.03.2020 ₹ 50,000. During the year 2020-21, discount allowed ₹ 5,000 and Bad Debts recovered ₹ 7,000. Additional Capital introduced during the year ₹ 40,000 and withdrawals for personal use during the year ₹ 10,000.

- a. ₹ 1,82,000
- b. ₹ 1,50,000
- c. ₹ 180,000
- d. ₹ 1,75,000

Q.6 Depreciation charged on assets will result in:

- a) Decrease in assets, increase in liability
- b) Decrease in assets, decrease in owner's capital
- c) Increase in assets, increase in liability
- d) Increase in liability, increase in assets.

Q.7 Payments to Creditors is an example of :.

- a. Increase in Assets and Decrease in Liabilities
- b. Decrease in Assets and Decrease in Liabilities
- c. Increase in Assets and Increase in Liabilities
- d. Decrease in Assets and Increase in Liabilities

Q.8 Sohan industry has incurred ₹ 8,000 for repairs out of which ₹ 5000 paid. It will be shown in accounting equation as: ∴

- a. Decrease in Assets by 5000 and Decrease in capital by 5000
- b. Decrease in Assets by 8000 and Decrease in capital by 8000
- c. Decreases in Assets by 5000 and Increase in Liabilities by 3000 with decrease in capital by 8000
- d. Decreases in Assets by 5000 and Decrease in Liabilities by 3000 with increase in capital by 8000

Q.9 Find the Value of Account receivable from the following Cash ₹48,000, Account Payable Rs 33,000, Furniture Rs21,000 and Equity ₹77,000

- a. ₹41,000
- b. ₹24,000
- c. ₹21,000
- d. ₹15,000

Q.10 Purchase of machine by cash means:

- (A) Decrease in assets and decrease in liability
- (B) Increase in assets and decrease in assets
- (C) Decrease in assets and decrease in liability
- (D) Decrease in assets and increase in capital

Q.11 State which of the following transaction will result in “Increase in one Asset, Decrease in one Asset and Increase in Capital” while preparing an Accounting Equation.

- a. Cash received from a debtor
- b. Sold goods for cash
- c. Sold goods at a loss
- d. Sold goods at a profit

Q.12 Which of the following transaction will Decrease the Assets and Increase the liability?

- a. Purchased goods in cash.
- b. Sale of an asset in cash
- c. Purchase of an asset on credit
- d. Cash deposited into Bank

Q.13 Goods destroyed by fire costing ₹1500 selling price ₹2000

- (a) Increase in stock by 2000 and increase in cash by 2000
- (b) Decrease in stock by 1500 and decrease in capital by 1500
- (c) Increase in stock by 2000 and increase in stock by 2000
- (d) Increase in stock by 1500 and decrease in creditor by 1500

Q.14 Match items in List I with terms in List II using the codes given below the lists-

Description (List -I)	Option (List II)
1- Increase in assets, decrease in another assets	A- Creditors paid in cash
2- Increase in one liability, decrease in another	B- Goods purchased on credit
3- Decrease in assets, Decrease in liability	C- Loan converted into capital
	D- Cash Received from Debtors

Q.15 Amit purchased a car ₹6,00,000 for his personal use for which he took a loan of ₹4,00,000 from the bank. How will you treat it in the accounting equation?

- a. Decrease in cash ₹2,00,000, decrease in capital ₹6,00,000 and increase in liabilities ₹4,00,000
- b. Decrease in cash ₹2,00,000, increase in car ₹6,00,000 and increase in liabilities ₹4,00,000
- c. Decrease in cash ₹6,00,000, increase in car ₹6,00,000
- d. Increase in cash ₹2,00,000, increase in capital ₹6,00,000 and decrease in liabilities ₹4,00,000

Q.16 What will be the treatment of Unearned Income in accounting equation?

- a. Add in capital and show on asset side
- b. Add in cash and show on liabilities side
- c. Deduct from cash and show on assets side
- d. Deduct from capital and show on asset side

Q.17 A creditor of ₹9,500 is settled by a final payment of ₹9,000. How will it affect the capital?

- a. Increase by ₹9,500
- b. Decrease by ₹500
- c. Increase by ₹500
- d. Decrease by ₹9,500