

Sample Questions (for modified Question Design)
Class-XI
Subject: ACCOUNTANCY

Assertion and Reason Type Multiple Choice Questions

1. Assertion (A) : Socks are value at Cost price or market price which is lower.
Reason (R) : According to the convention of conservatism, all anticipated losses are recorded but all anticipated or unrealized gains are ignored.

Choose the correct option from the following:

1

- A. Both A and R are true and R is the correct explanation of A.
- B. Both 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.

2. Assertion (A) : Capital expenditure are recurring in nature.
Reason (R) : Capital expenditure are incurred to increase the earning capacity of business.

Choose the correct option from the following:

1

- A. Both A and R are true and R is the correct explanation of A.
- B. Both 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.

Case based Short Answer Type Question

3. Mr. Ramesh, a clerk of a business firm is entrusted the work of maintaining of books of account of the firm. While making entries in the books of the firm, purchase of furniture for Rs. 50,000/- for cash was entered in Purchase Book and payment of salary of Rs. 10,000/- to John, an employee of the firm was debited to John A/c. While checking the books of accounts maintained by Ramesh, It was found that there were wrong entries of the given transactions.

- i. Identify the type of errors committed in recording the given transactions.
- ii. Rectify the errors by giving entries.

2+2=4