

CLASS - XI : ACCOUNTANCY

Introduction to Accounting and Theory Base of Accounting

1. What are accruals?
2. What is owner's equity?
3. What are accrued expenses and when are they recorded?
4. How do I calculate the amount of sales tax that is included in total receipts?
5. What is the difference between financial accounting and management accounting?
6. What is the cost of sales?
7. What is the difference between product costs and period costs?
8. What is the difference between an implicit cost and an explicit cost?
9. What is included in cash and cash equivalents?
10. What is the difference between stocks and bonds?
11. What is a contra asset account?
12. Why is depreciation on the income statement different from the depreciation on the balance sheet?
13. When do you put parentheses () around a number?
14. How are the balance sheet and income statement connected?
15. What is the accounting cycle?
16. If I want a gross margin of 25%, what percent should I mark up my product?
17. What is the difference between Gross Profit Margin and Gross Earning?
18. What is Big 4 Accounting?
19. What is the difference between an accrual and a deferral?
20. Is the Drawing account a Capital account?
21. What is the three-way match?
22. What is a temporary account?
23. What is the income summary account?
24. Which statements are drawn to provide information about growth or decline of business activities over a period of time or comparison of the results, i.e. intra-firm or inter firm comparisons.
 - A. Management statements
 - B. All of these
 - C. Cost statements
 - D. Financial statements

25 A firm may hold stock which is heavily in demand. Consequently, the market value of this stock may be increased. Normal accounting procedure is to ignore this because of the _____.

- a. Conservatism
- b. Cost concept
- c. Prudence
- d. Dual aspect concept

26 IFRS followed by Indian Accounting are based on

- A. Indian accounting standards
- B. None of these
- C. Fair value
- D. Historical cost

27 Mention any one cause responsible for the difference between current and fixed assets .

28 Identify the names of the proprietors of sole trade, partnership and company.

29 How IFRS is different from GAAP ?

30 Can we pass an entry for the transaction which is not supported by a voucher?