

Date: 2024**LGS GROUP OF COLLEGES**

Principles of Accounting

I.Com part 2

TEST#**WK-8**

Subject: Accounting	Name:.....	Roll No:							
Time: 35 mins	Objective	Marks =15							

SECTION-I OBJECTIVE TYPE

Note: Four possible answer A, B, C and D to each question are given. The choice which you think is correct, fill the circle in front of that question with Marker or Pen ink in the answer-book. Cutting or filling two or more circles will result in zero mark in that question.

Q1. Select the right option.**(1 × 3 = 3)**

- 1) Net worth is equal to:

A. Assets-liabilities	B. Laibilities-assets
C. Liabilities + capital	D. Capital + assets
- 2) Due to drawing made during the year, closing capital will:

A. Increase	B. Decrease
C. Constant	D. Multiple
- 3) Both aspects must be recorded in:

A. Single entry system	B. Barter system
C. Double entry system	D. Islamic system

SECTION-II SUBJECTIVE TYPE**Q2. Write short answers.****(3 x 1 = 3)**

- i) Define statement of affairs.
- ii) What is double entry system?
- iii) What is single entry system?

SECTION – II (PART-II)**Q3. Aroosa keeps his single entry system. His financial position was as follows:****(1x9=9)**

	Jan 01-2005	Dec 31-2005
Sundry debtor	4250	7000
Cash in hand	100	150
Cash at bank	1500	1000
Stock	10000	9500
Machinery	900	900
Motor vehicles	7000	7000
Furniture	8000	8000
Sundry credits creditors	11000	14500

During the year she withdrew for personal use Rs. 7000. She introduced additional capital on 01st July Rs. 9000. Charge depreciation on machinery motor vehicle and furniture 10% P.A. Allow interest on capital at 6% P.A.

Ascertain the profit or loss made by Aroosa for the year 2005.