



Class: XI

Time Allowed: 25 minutes

MODEL PAPER EXAMINATION 2026

SUBJECT: ACCOUNTING - I

(SECTION "A")

Marks: 20

Note: Attempt **ALL** question from this section. Each question carries **ONE** mark.

- _____ is the amount with which the trader starts his business.
A. Drawings B. Capital C. Sales D. Depreciation
- Nominal accounts are related to _____.
A. Capital B. Expenses, loss, income C. Assets & Liabilities D. Customers, Creditors
- The Journal is a book of account in which transactions are recorded in _____ order.
A. Time-wise B. Alphabetical-wise C. Amount-wise D. None of these
- A credit increases the balance of _____.
A. Liabilities & Assets B. Income & Assets C. Liabilities & Expenses D. Equities & Liabilities
- Sales made to Ali for cash should be debited to _____.
A. Sales account B. Cash Account C. Ali Account D. None of these
- Any mistake in ledger can be easily detected with the help of _____.
A. Journal B. Income statement C. Balance sheet D. None of these
- The cashbook is a _____.
A. Statement B. Ledger C. Subsidiary ledger D. Financial statement
- When cash is received from a debtor or customer, generally a receipt or cash memo is issued to the debtor which is called _____.
A. Cash voucher B. Cash payment voucher C. Payment voucher D. Receipt voucher
- Business uses petty cash book for recording _____.
A. Cash receipts B. Petty cash payment C. Petty cash receipt and payment D. None of these
- In petty cash book, expenses on ink, rubber stamp and papers should be entered in _____ column.
A. Conveyance B. Stationary C. Entertainment D. None of these
- Credit sales is recorded in _____ Journal.
A. Purchase B. Sales C. Purchase return & allowance D. Sales return & allowance
- Which of the following is a special journal:
A. General Journal B. General Ledger C. Purchase return & allowance D. Cash book
- In a bank reconciliation, outstanding cheques are _____.
A. Added to the pass book B. Added to the cash book C. Deducted from pass book D. Deducted from cash book
- Bank reconciliation statement is prepared to reconcile:
A. Cash column of cash book with bank statement B. Bank column of cash book with bank statement C. Cash column of cash book with bank column D. Cash book with ledger
- Errors which are made in the preparation of trial balance are called _____.
A. Error of Principle B. Error of Posting C. Error of Commission D. Error of Trial Balance
- Goods purchased from Ali for Rs. 1,200 have been posted to Husain's account. It is an _____.
A. Error of Casting B. Error of Commission C. Error of Principle D. Error of Posting
- Trial balance shows: Unearned interest Rs.1500. Adjustment shows: Unearned interest Rs.700, entry would be recorded:
A. Dr. interest income, credit unearned interest Rs.700 B. Dr. interest income, credit unearned interest Rs.800 C. Dr. unearned interest & credit interest income Rs.700 D. Dr. unearned interest & credit interest income Rs.800
- Trial balance shows: salaries expense Rs.700, Adjustment shows: expired salaries Rs.200, entry would be recorded:
A. Dr. salaries expense, credit to prepaid salaries Rs.200 B. Dr. salaries expense, credit prepaid salaries Rs.500 C. Dr. prepaid salaries, credit salaries expense Rs.200 D. Dr. prepaid salaries, credit salaries expense Rs. 500
- The gross profit or loss suffered by a business is shown in the _____.
A. Trial balance B. Cash book C. Income Statement D. Balance Sheet
- Opening entries are passed _____.
A. on the first day of current financial year B. on the last day of current financial year C. on the first day of next financial year D. during current financial year

END OF SECTION A

Class: XI

Time: 2 hours 35 minutes

MODEL PAPER EXAMINATION 2026

SUBJECT: ACCOUNTING – I, SECTION "B" AND SECTION "C"

Total Marks 80

SECTION "B" (SHORT ANSWER QUESTIONS)

Marks 40

Note: Attempt any **FOUR** questions from this section. Each question carries **TEN** marks.

Q2. Show the accounting equation on the basis of following transactions:

- Hassan invested cash in the business Rs. 300,000
- Purchased merchandise on account Rs. 45,000
- Purchased equipment for cash Rs. 30,000
- Sold goods on account Rs. 35,000 costing Rs. 30,000
- Purchased goods for cash Rs. 15,000
- Hassan withdrew cash for personal use Rs. 16,000
- Paid salaries Rs. 17,000
- Paid to creditors Rs. 21,000

- Q3.** On July 1, 2024, Babar Traders started a business with a cash investment of Rs. 150,000. He completed the following transactions during the month of July:
- 05. Purchased goods on account from Zubair Rs. 25,500
 - 07. Purchased office equipment on credit from Sun electronics shop Rs. 22,000
 - 10. Sold goods for cash Rs. 35,000 and on account Rs. 15,000
 - 18. Paid to Zubair Rs. 19,400
 - 23. Collection from customer Rs. 8,500
 - 27. Purchased office supplies for cash Rs. 10,500
 - 31. Paid office salaries Rs. 25,000

Required
Prepare Journal entries to record the above transactions

- Q4.** Mr. Shabbir established the petty cash book on June 1, 2024 and received cash Rs. 15,000. The payments made during the month of June are listed below:

- June
- 1 Purchased carbon, gum and pins R.s 50
 - 3 Paid for postage stamps Rs. 30
 - 6 Paid for taxi fare Rs. 200
 - 9 Paid for tea, pan and cigarettes offered to customers Rs. 60
 - 15 Paid for cartage Rs. 100
 - 20 Paid for papers, pencil and carbon Rs. 110
 - 26 Paid for rickshaw fare Rs. 150
 - 27 Paid for registered parcel Rs. 140
 - 30 Paid for bike repair expense Rs. 200

Required

- a. Record the above transaction in Petty cash book having special column for
 - i. Stationary ii. Postage and Telegram iii. Cartage iv. Entertainment v. Conveyance vi. Sundries

Balance petty cash book on June 30, and enter the amount reimbursed on July 1, 2024.

- Q5.** The following is an extract from the Purchase Journal of Moon Star Company for the month of April 2024.

Moon Star Company				
Purchase Journal				
Date	Invoice No.	Name of Suppliers	P.R	Amounts
April 6	5311	Aslam		8,700
April 11	5312	Kashan		5,700
April 21	5313	Kashif		8,400
April 27	5314	Umair		7,000

Required

- 1. Copy out the purchase journal and total it and write the Journal entry dated April 30, 2024 to post the total giving posting reference
- 2. Set up Purchase account and Account payable control in the General Ledger and an account for each of the above suppliers in the Accounts payable subsidiary ledger in self-balancing form

- Q6.** The following information related to the year ended December 31, 2024 has been obtained from the record of Seashore traders:

- 1. Salaries expense applicable to December 31, 2024 will be paid January 5, 2025 Rs. 25,000
- 2. Equipment cost Rs. 70,000 estimated residual value after service life of 10 years Rs. 10,000
- 3. Unexpired insurance recorded in the insurance expense account Rs. 3,000
- 4. Rent income earned, recorded in the rent collected in advance account Rs. 25,000
- 5. Office supplies on hand included in office supplies expense Rs. 600
- 6. Commission earned but not received Rs. 17,000
- 7. Outstanding wages Rs. 5,000

Required
Pass the necessary adjusting entries in the book of Seashore traders.

- Q7.** The following errors were discovered before closing the books of accounts of Bright light company

- 1. Purchase of photo state machine for Rs. 35,000 was debited to purchases account.
- 2. Return of defective goods worth Rs. 6,000 to the supplier was credited to purchases account
- 3. Ordinary repair costing Rs. 5,500 to office furniture was debited to office furniture account
- 4. Depreciation was overcharged by Rs. 3,400 through the allowance for depreciation account
- 5. Purchase of office supplies on credit for Rs.5,900 was recorded as Rs. 5,000
- 6. Payment of rent expense Rs. 9,000 was recorded as receipt of rent income



Required

Prepare correcting entries in general journal

SECTION “C” (DETAILED ANSWER QUESTIONS)

40 Marks

Note: Attempt any **TWO** Question from this section. All questions carry **TWENTY** marks.

Q8: Lucky star associates is a company that had accounts balance at December 31, 2025 as follows:

Cash in hand	50,000	Building	500,000
Computer	10,000	Notes receivable	4,000
Accounts payable	25,000	Salaries payable	25,000
Cash at bank	100,000	Smart associates’ capital	700,000
Accounts receivable	5,000	Office supplies	2,000
Notes payable	25,000	Property taxes payable	16,000
Automobile	100,000	Office furniture	20,000

Required

- i. Prepare a trial balance with the accounts arranged in in financial statement order.
- ii. Prepare a classified balance sheet in report form.

Q9: The accountant of Universal Company has extracted the following data from its cash record and its bank statement on January 31, 2024.

- 1. Balance as per cash record Rs.10,000
- 2. Balance as per bank statement Rs. 17,000
- 3. Last day deposit not shown in the bank statement Rs. 29,000
- 4. Uncleared cheques Rs. 17,000
- 5. Unpresented cheques Rs.23,000
- 6. Cheque no. 22 for Rs. 1,440 was deposited in the bank but it was recorded by them as Rs. 2,520
- 7. Direct deposit in the bank Rs. 19,400
- 8. Cheque deposited for Rs. 7,800 was recorded in the cash record as Rs. 6,720
- 9. Bank service charges were not recorded in the cash record Rs.5,960
- 10. Promissory note paid by the bank was not recorded in the cash record Rs. 11,000
- 11. Dividend collection was credited by the bank but was not recorded in the cash record Rs. 25,400

Required

Prepare a bank reconciliation statement on January 31, 2024

Q10. The following transactions were completed by Ahsan during the financial year January to December 2025

- 1. Started business with cash Rs. 19,000
- 2. Purchased merchandise on account Rs. 5,000
- 3. Paid transportation on purchase Rs. 2,500
- 4. Returned merchandise to supplier Rs. 1,900
- 5. Sold merchandise on account Rs. 15,600
- 6. Customer’s returned merchandise for Rs. 4,600
- 7. Purchased store supplies for cash 3,500
- 8. Paid salaries expense Rs. 7,500
- 9. Paid advertising expense Rs. 2,400
- 10. Received cash from customers on account Rs. 9,000
- 11. Paid to creditors on account Rs. 5,000
- 12. Withdrew cash for personal use Rs.3,900

Required

- a. Set up necessary T-accounts in the ledger and post the above transaction directly into the accounts affected, completing the double entry in each case
- b. Prepare a preclosing trial balance as of December 31, 2025

END OF PAPER