



Class: XI

Time Allowed: 25 minutes

Q1:

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

MODEL PAPER EXAMINATION 2026

SUBJECT: ACCOUNTING - I

(SECTION "A")

Marks: 20

1. _____ is the amount with which the trader starts his business.
 A. Drawings B. Capital C. Sales D. Depreciation
2. Nominal accounts are related to _____.
 A. Capital B. Expenses, loss, income C. Assets & Liabilities D. Customers, Creditors
3. 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
4. A credit increases the balance of _____.
 A. Liabilities & Assets B. Income & Assets C. Liabilities & Expenses D. Equities & Liabilities
5. Sales made to Ali for cash should be debited to _____.
 A. Sales account B. Cash Account C. Ali Account D. None of these
6. Any mistake in ledger can be easily detected with the help of _____.
 A. Journal B. Income statement C. Balance sheet D. None of these
7. The cashbook is a _____.
 A. Statement B. Ledger C. Subsidiary ledger D. Financial statement
8. 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
9. Business uses petty cash book for recording _____.
 A. Cash receipts B. Petty cash payment C. Petty cash receipt and payment D. None of these
10. 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
11. Credit sales is recorded in _____ Journal.
 A. Purchase B. Sales C. Purchase return & allowance D. Sales return & allowance
12. Which of the following is a special journal:
 A. General Journal B. General Ledger C. Purchase return & allowance D. Cash book
13. 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
14. 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
15. 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
16. 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
17. 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
18. 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
 B. Dr. prepaid salaries, credit salaries expense Rs.200 D. Dr. prepaid salaries, credit salaries expense Rs. 500
19. 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
20. 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:

1. Hassan invested cash in the business Rs. 300,000
2. Purchased merchandise on account Rs. 45,000
3. Purchased equipment for cash Rs. 30,000
4. Sold goods on account Rs. 35,000 costing Rs. 30,000
5. Purchased goods for cash Rs. 15,000
6. Hassan withdrew cash for personal use Rs. 16,000
7. Paid salaries Rs. 17,000
8. 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

- Prepare a trial balance with the accounts arranged in financial statement order.
- 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.

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

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

Required

- 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
- Prepare a preclosing trial balance as of December 31, 2025

END OF PAPER