



INDIAN SCHOOL NIZWA - WORKSHEET

ACCOUNTANCY CH 4 BASES OF ACCOUNTING

Name: _____

Date: _____

Class :XI

Short Answer type questions:

1. What are the two bases of Accounting?
2. What do you understand by cash bases of accounting?
3. What do you understand by accrual bases of accounting?
4. Distinguish between cash basis and accrual bases of accounting
5. What are the advantages of cash bases of Accounting?
6. What are the disadvantages of cash bases of accounting?
7. What are the advantages of accrual bases of accounting?
8. Dr. Aravind, a Ayurvedic Doctor in practice has been advised by his accountant to maintain his accounts on accrual basis instead of the presently followed cash basis of accounting. do you agree with the advice of the accountant?
Give reasons
8. During the financial year 2017-18, Mohan had cash sales of ₹90,000 and credit sales of ₹60,000 .His expenses for the year were ₹70,000 out of which ₹30,000 is still to be paid. Find out Mohan's income for 2017-18 following the cash basis of accounting
9. Vijay, a consultant during the financial yera2017-18 earned ₹4,00, 000.Out of which he received ₹3,50, 000.He incurred an expense of ₹1,70,000 out of which ₹40,000are outstanding. He also received consultancy fee relating to previous year ₹45,000and also paid ₹20,000expenses of last year

You are required to determine his income for the year if

- (1) He follows cash basis of accounting
- (2) He follows accrual basis of accounting