

PRACTICE WORKBOOK

CLASS 11

Accountancy

Six selected units with original explanations, worked examples and graded practice. Supports school assessment; this is not a complete syllabus or a full examination paper.



6 practice units
36 tasks with answer guidance

Name / नाम: _____

Original selected-topic practice. Use alongside school lessons and the prescribed textbook. The contents define this book's scope.

UNIT 01 / 06 · LEARN & TRY

The accounting equation and double entry

Name: _____ Date: _____

Learn

Accounting follows the financial effects of business events rather than the owner's everyday spending. The business entity concept treats the business separately from its proprietor. When an owner introduces cash, the business acquires an asset and records a claim belonging to the owner. Every recorded transaction has equal debit and credit effects, so assets equal liabilities plus capital. A debit is an entry on the left of an account, not a synonym for a loss. Assets and expenses normally increase by debits; liabilities, capital and income normally increase by credits. Buying equipment for cash exchanges one asset for another without immediately reducing profit by its full purchase price. Buying goods on credit increases purchases and the supplier's claim. Personal withdrawals reduce capital through drawings. First identify the accounts, then classify each change, and finally check that the equation still balances.

Worked example

An owner introduces ₹60,000 cash and buys machinery for ₹15,000 cash. First: Cash Dr ₹60,000; Capital Cr ₹60,000. Second: Machinery Dr ₹15,000; Cash Cr ₹15,000. Closing assets are cash ₹45,000 plus machinery ₹15,000 = ₹60,000; capital is ₹60,000.

UNIT 01 · APPLY & EXPLAIN

The accounting equation and double entry

4. A firm has assets ₹90,000 and liabilities ₹25,000. Calculate capital. The owner then adds ₹10,000 cash. State the revised equation. [3 marks]

5. Record a cash sale of goods for ₹4,000 under a periodic inventory system. Explain why the sale entry alone does not determine profit. [3 marks]

6. An owner introduces ₹48,000 cash, borrows ₹12,000 from a bank, buys furniture for ₹10,000 cash and withdraws ₹3,000 for personal use. Calculate closing cash, furniture, liabilities and capital, then verify the equation. [4 marks]

Show your thinking with a drawing, diagram or explanation.

Pause & reflect

What can I explain now? What will I try again?

☐ I tried ☐ I explained ☐ I checked



UNIT 01 · ANSWER GUIDANCE

The accounting equation and double entry

1. Assets = liabilities + capital.
2. Drawings Dr ₹1,200; Cash Cr ₹1,200. It is not a business expense.
3. Assets rise ₹8,000 and liabilities rise ₹8,000; capital is unchanged at this point.
4. Initial capital = ₹90,000 – ₹25,000 = ₹65,000. Revised assets ₹1,00,000 = liabilities ₹25,000 + capital ₹75,000.
5. Cash Dr ₹4,000; Sales Cr ₹4,000. Cost of goods sold is determined separately under the periodic system; profit requires matching costs and other expenses against income.
6. Cash = 48,000 + 12,000 – 10,000 – 3,000 = ₹47,000. Furniture ₹10,000; assets ₹57,000. Bank liability ₹12,000; capital = ₹45,000. ₹57,000 = ₹12,000 + ₹45,000.

Teaching note

Name the accounts before deciding debit and credit; avoid treating every cash payment as an expense.

Curriculum reference: https://cbseacademic.nic.in/web_material/CurriculumMain27/SecPart2/Accountancy_SecP2_2026-27.pdf
Selected units; outcomes are publisher-defined. Practical, project and prescribed literature requirements must also be studied through school.