

# Chapter - 11 Accounts of Incomplete Records

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## Question 1

What do you mean by Incomplete Record?

**Answer:** Incomplete record refers to those records which are not arranged according to the principles of double-entry.

## Question 2

Give two features of Incomplete Record?

**Answer:** The two features of incomplete record are.

- Maintenance of personal account only
- Maintenance of cash book

## Question 3

Give two reasons for keeping Incomplete Record?

**Answer:** The two reasons for keeping incomplete record are.

- **Convenient Method-** It is an easy and uncomplicated method of registering the company's transactions as it does not demand any individual knowledge of the principles of double-entry
- **Limited resources required** – Since only cash book and few ledger accounts are recorded in this system, the staff required for support is also smaller as compared to the double-entry system.

## Question 4

Give two limitations of keeping Incomplete Record?

**Answer:** The two limitations of keeping incomplete record are.

- **Trial Balance preparation is not possible-** This system does not record both the debit and credit aspect of a transaction. Due to which the trial balance cannot be prepared and the accuracy of the financial transaction cannot be rectified.
- **Incomplete system-** It is incomplete because of the fact that this system does not record both the aspect of a transaction (credit & debit). Also, this system does not follow any set of rules.

### **Question 5**

State two account maintained in an account from incomplete records.

**Answer:** The two account maintained in an account from incomplete records are.

- Cash account
- Personal Account

### **Question 6**

What is the common objective of single entry system and the double-entry system?

**Answer:** The common objective of single entry system and double entry system is to determine the net profit or loss of the company.

### **Question 7**

Which accounting principle is followed under single entry and also in double entry system?

**Answer:** Money Measurement Concept

### **Question 8**

Which accounting principle is neglected under single entry and followed in double entry system?

**Answer:** Dual Aspect Concept

### **Question 9**

Which two methods are used in determining profit and loss in a single entry system?

**Answer:** The two methods are used in determining profit and loss in a single entry system are.

- Statement of Affairs Method
- Conversation Method

### **Question 10**

The single entry system account is maintained by.

1. Sole Trader
2. Company
3. Society
4. Government

**Answer:** Sole Trader

**Question 11**

Single entry system of bookkeeping is.

1. Inaccurate
2. Unsystematic
3. Unscientific
4. All of these

**Answer:** All of these

**Question 12**

When closing capital is more than opening capital, it denotes.

1. Profit
2. Loss
3. No Loss, No Profit
4. Profit, if there is no introduction of fresh capital

**Answer:** Profit, if there is no introduction of fresh capital

**Question 13**

Can a limited company maintain its account under single entry system?

**Answer:** No, a limited company maintain its account under single entry system

**Question 14**

What does it mean if closing capital is less than opening capital?

1. Profit
2. Loss
3. Loss, if there is no drawing
4. None of the above

**Answer:** Loss, if there is no drawing