

OBJECTIVE QUESTIONS.

✓ Qt1. Fill in the blanks with suitable words:

- a) Double entry system of bookkeeping denotes that every business transaction has _____ effect.
- b) Every business transaction has effect on at least _____ accounts.
- c) The method of writing every financial transaction in two accounts is called as _____ system of Bookkeeping.
- d) The total of all _____ must agree with the total of all _____
- e) Double entry book keeping enables us to check the _____ accuracy of the books of accounts.
- f) In every transaction at least _____ parties are involved.

Qt2. Mention the accounts affected in the following transactions:

- a) Bought goods from Pran
- b) Sold goods to Somnath
- c) Paid rent by cash
- d) Received cash from Premnath
- e) Received commission in Cash
- f) Paid salaries in Cash
- g) Purchased furniture from Deodas
- h) Sold Machinery to Devanand
- i) Received Cash from Sharmaji
- j) Paid cash to Rakesh.

Qt3. In each of the following, indicate the alternative, which you consider to be correct:

- A) In the Double Entry System of Book-Keeping every financial transaction effects:
 - a) Two accounts; b) two sides of the same account;
 - c) The same account on two different dates.
- B) A purchase of goods from Roshan should be credited to:
 - a) Purchase Account; b) Roshan Account; c) Cash Account.
- C) A sale of goods for cash to Bedi should be debited to:
 - a) Cash Account; b) Drawings Account; c) Capital A/c.

✓ Qt4. Fill in the blanks with suitable words:

- a) An account is always divided into _____ sides.
- b) The left-hand side of the account is called _____ side.
- c) The accounts of properties and assets are called the _____ accounts.
- d) Cash account shows the receipts and _____ in cash.
- e) _____ Accounts are those of people
- f) Sales Tax A/c is a _____ A/c.
- g) Manufacturing wages A/c is a _____ A/c.
- h) Dividend Received A/c is a _____ A/c.
- i) Audit Fees A/c is a _____ A/c.
- j) Bombay University A/c is a _____ A/c.

Q19. Match the following:

Group A

- a) Personal A/c is credited
- b) Nominal A/c is debited
- c) Real A/c is debited
- d) Real A/c is credited
- e) Nominal A/c is credited
- f) Personal A/c is debited

Group B

- a) when something is going out. *d*
- b) for what is received. *c*
- c) when there is a gain. *e*
- d) When a person is the giver. *a*
- e) for expenses. *b*
- f) when a person is the receiver. *f*

Q10. Fill up the blanks with suitable words selecting from the brackets:

- a) Rent paid to landlord is debited to _____ (Landlord A/c, Rent A/c, Cash A/c)
- b) The amount withdrawn by a trader for his personal use is debited to _____ account. (Personal A/c, Capital A/c, Drawing A/c)
- c) The amount invested in business by the proprietor is credited to _____ account. (Capital A/c, Cash A/c)
- d) Cash purchase of goods from Smita should be debited to _____ Account. (Smita's A/c Goods A/c, Sales A/c)
- e) A credit sales of goods to Dina should be credited to _____ account. (Goods A/c, Dina's A/c Sales A/c)
- f) Drawings A/c is a _____ Account. (Real A/c, Personal A/c)
- g) Loan A/c is a _____ Account. (Nominal A/c, Personal A/c)

Q11. State whether the following classification is correct or not. Give the correct classification if necessary:

- | | | | |
|-------------------|-------------|-----------------|------------|
| a) Machinery A/c | Nominal A/c | <i>Real</i> | <i>A/c</i> |
| b) Conveyance A/c | Real A/c | <i>Nominal</i> | <i>A/c</i> |
| c) Bank A/c | Real A/c | <i>Personal</i> | <i>A/c</i> |
| d) Goods A/c | Nominal A/c | <i>Real</i> | <i>A/c</i> |
| e) Building A/c | Real A/c | <i>Real</i> | <i>A/c</i> |