

Q.25 Write short note on :

- a) Discount
- b) Liabilities

Q.26 Explain the importance of the double entry system.

Q.27 Define Journal. Explain the process of Journalizing.

Q.28 Discuss the importance of Ledger.

Q.29 Discuss the utility of preparing Trial balance?

Q.30 Define errors. Discuss the errors that affects trial balance.

Q.31 Explain the needs of financial statements?

Q.32 Draw a format of P/L account.

Q.33 Describe the concept of accounting equations.

Q.34 Discuss the process of posting in Ledger with examples.

Q.35 Discuss the needs of P/L accounts.

#### SECTION-D

**Note:** Long answer type questions. Attempt any two questions out of three questions. (2x10=20)

Q.36 What are the merits and demerits of a Trading account?

Q.37 Define Trial balance. Discuss the methods of preparing Trial balance.

Q.38 Explain in brief the accounting concepts and conventions.

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#### 3rd Sem / DBM

#### Subject:- Fundamentals of Accounting

Time : 3Hrs.

M.M. : 100

#### SECTION-A

**Note:** Multiple choice questions. All questions are compulsory (10x1=10)

Q.1 The sum of Assets is equals to-

- a) Expense
- b) Income
- c) Drawings
- d) Liabilities and Capitals

Q.2 Internal users of accounting information are:

- a) Managers
- b) Directors
- c) Employees
- d) All of these

Q.3 The financial year begins on-

- a) 1<sup>st</sup> June
- b) 1<sup>st</sup> October
- c) 1<sup>st</sup> April
- d) 1<sup>st</sup> January

Q.4 Intangible assets include:

- a) Stock
- b) goodwill
- c) Furniture
- d) cash

Q.5 Current liabilities are liabilities that are payable within-

- a) 1 year                      b) 6 months  
c) 2 years                      d) None of these
- Q.6 After journal second step of accounting is-  
a) Trial balance              b) Trading account  
c) Ledger                      d) None of these
- Q.7 All transaction in accounting are measured in terms of  
a) Money                      b) goods  
c) Ethical values              d) Units
- Q.8 The term Expenditure includes-  
a) Capital expenditure      b) Revenue expenditure  
c) Both                      d) None of these
- Q.9 The term Book-keeping and accounting are  
a) Same                      b) Different  
c) Opposite                      d) None of these
- Q.10 What kind of accuracy is tested by Trial balance-?  
a) Theoretical                      b) Practical  
c) Arithmetical                      d) None of these

### SECTION-B

**Note:** Objective type questions. All questions are compulsory. (10x1=10)

- Q.11 The amount invested by the proprietor in a business is called Drawing. (True/False)

- Q.12 The things which is purchased and sold in business is called goods. (True/False)
- Q.13 The capitals and liabilities is equals to Assets. (True/False)
- Q.14 Final accounts prepared at the end of every financial year. (True/False)
- Q.15 A trial balance is prepared to locate the compensating errors. (True/False)
- Q.16 Accounting is the language of Business. (True/False)
- Q.17 Purchases also includes to the buying of furniture for office. (True/False)
- Q.18 Only one account is affected in every transaction. (True/False)
- Q.19 Direct expenses are entered in trading account. (True/False)
- Q.20 Balance sheet represents financial position of a company as on 31 March. (True/False)

### SECTION-C

**Note:** Short answer type questions. Attempt any twelve questions out of fifteen questions. (12x5=60)

- Q.21 What do mean by Accounting? Discuss its objectives.
- Q.22 Discuss the users of accounting information.
- Q.23 Elaborates the rules of debit and credit?
- Q.24 Discuss in details the types of accounts.