

- Q.20 What are the objectives of trail balance?
- Q.21 Define balance sheet.
- Q.22 What is trading account and why it is prepared?

### SECTION-D

**Note:** Long answer type questions. Attempt any two questions out of three questions. (2x8=16)

- Q.23 Write the objectives of accounting. Explain the process of accounting.
- Q.24 What is GAAP? Explain any five of them.
- Q.25 Write difference between Profit & Loss account and Trial balance.

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### 1st Sem. / Fin., Acc. & Aud./ Business Management Subject : Fundamentals of Accountancy

Time : 3 Hrs.

M.M. : 60

### SECTION-A

**Note:** Multiple choice questions. All questions are compulsory (6x1=6)

- Q.1 Copyrights, Patents and Trademarks are instances of
- a) Fixed resources      b) Current resources
  - c) Investments          d) Intellectual property
- Q.2 Gross Profit is
- a) Sales - Purchases
  - b) Sales - Cost of products sold
  - c) Cost of products sold + Opening stock
  - d) Net benefits - costs
- Q.3 Net benefit is determined in which of the accompanying record?
- a) Balance sheet
  - b) Profit and loss account
  - c) Trading account
  - d) Trial balance

- Q.4 Long term assets without any physical existence but, possessing a value are called
- a) Intangible assets      b) Fixed assets  
c) Current assets          d) Investments
- Q.5 The assets that can be easily converted into cash within a short period, i.e., 1 year or less are known as
- a) Current assets          b) Fixed assets  
c) Intangible assets      d) Investments
- Q.6 Discounts received are
- a) Buyer of goods granted discount by seller  
b) Deducted when we receive cash  
c) Given by us when we sell goods on credit  
d) None of these

### SECTION-B

**Note:** Objective/ Completion type questions. All questions are compulsory. (6x1=6)

- Q.7 The revenues and expenses of a company are displayed in \_\_\_\_\_
- a) Income statement      b) Balance Sheet
- Q.8 What type of balance do asset accounts have \_\_\_\_\_
- a) Credit                      b) Debit
- Q.9 Machinery is an example of \_\_\_\_\_
- a) Tangible asset          b) Intangible asset

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- Q.10 When a seller provides discount on goods then it is called \_\_\_\_\_ in the books of seller.
- a) Discount received      b) Discount allowed
- Q.11 Assets which have any physical existence called \_\_\_\_
- a) Tangible asset          b) Intangible asset
- Q.12 Supporting evidence in a business transaction called \_\_\_\_\_
- a) Voucher                      b) Ledger

### SECTION-C

**Note:** Short answer type questions. Attempt any eight questions out of ten questions. (8x4=32)

- Q.13 Write down four features of accounting.
- Q.14 What are the differences between accounting and book keeping?
- Q.15 Explain any four basic terms related to accounting.
- Q.16 What is accounting? Explain its limitations.
- Q.17 What is Journal? Write two journal entries as an example.
- Q.18 Define subsidiary book. Explain cash book and sales book.
- Q.19 What is trail balance? Explain its methods.

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