

- Q.24 Explain in brief the principles of financial accounts
- Q.25 What is Journal . Give three limitations of Journal.
- Q.26 Explain the features of the journal.
- Q.27 Explain the utilities of ledger.
- Q.28 What is a trial balance. Give three features of a trial balance.
- Q.29 Briefly explain the accounting equation.
- Q.30 What is meant by rectification of errors? State its objectives.
- Q.31 Explain the objects of preparing Profit and Loss Account.
- Q.32 How does Profit and Loss Account differ from Trading Account?
- Q.33 What is meant by Adjustment Entry?
- Q.34 Distinguish between Balance sheet and Trial Balance.
- Q.35 Difference between Capital Expenditure and Revenue Expenditure.

SECTION-D

- Note:** Long answer type questions. Attempt any two questions out of three questions. (2x10=20)
- Q.36 Draw a format of profit & loss Account.
- Q.37 Define Accounting. Explain in brief the advantages & disadvantages of accounting.
- Q.38 Explain in brief the different types of Errors.

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3rd Sem / Diploma in Business Management Subject:- Fundamental of Accounting

Time : 3Hrs.

M.M. : 100

SECTION-A

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

- Q.1 Transactions are posted into ledger Account from:-
a) Vouchers b) Journal book
c) Bank statement d) None of these
- Q.2 Accounting
a) includes Book keeping
b) does not include Book keeping
c) may or may not include Book keeping
d) None of these
- Q.3 Which external user of accounting information is most interested in knowing the long term solvency position of the firm?
a) Employees
b) Management
c) Bank and Financial Institutions
d) Researches
- Q.4 Recording of transactions in a Journal is called
a) Posting b) Journalising

- c) Transfer d) Ruling
- Q.5 The process of transferring the transactions from Journal to the ledger is called
- a) Journalising b) Posting
- c) Balancing d) Costing
- Q.6 A Trial Balance is
- a) a statement b) a summary
- c) an account d) None of these
- Q.7 Preparation of a Trial Balance is
- a) Compulsory
- b) optional
- c) Compulsory or optional
- d) None of these
- Q.8 Which of the following is not the part of Financial statement?
- a) Trial Balance b) Trading Account
- c) Profit & loss Account d) Balance sheet
- Q.9 Which statement shows financial position of the business?
- a) Trading Account b) Profit & loss Account
- c) Balance Sheet d) Trial Balance
- Q.10 The accountant opens the following account when Trial Balance does not match
- a) Capital Account b) Suspense Account
- c) Drawings Account d) P/L Account

SECTION-B

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

- Q.11 Name any one external user of Accounting information.
- Q.12 Give the meaning of Accounting.
- Q.13 A Journal entry may have more than one debit or more than one _____
- Q.14 Dr stands for _____ and Cr stands for _____
- Q.15 A ledger is known as a book of _____ entry.
- Q.16 Transactions are posted in the ledger in the chronological order. (True/False)
- Q.17 A Trial Balance is a _____
- Q.18 Profit & loss Account shows the financial positions of the entity. (True/False)
- Q.19 Gross Profit or Gross loss is determined by preparing _____
- Q.20 Financial position of a business on a particular date is shown by _____

SECTION-C

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

- Q.21 What is Accounting. What are the advantages of Accounting.
- Q.22 Explain in brief the nature of accounting.
- Q.23 Explain the following accounting concepts with an example of each :-
- a) Going Concern Concept
- b) Matching Concept