

- 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