

### SECTION-D

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

Q.36 Briefly explain the accounting principles.  
Q.37 Define Trial Balance. Explain the errors not disclosed by Trial Balance.

Q.38 Enter the following transactions in the Sales Book of India Furniture House.

June 5 Sold to Aman Furniture Store, Panipat on credit (Invoice No 540)

05 Tables @ Rs. 5,000 each.

20 Chairs @ Rs. 500 each

Trade Discount 10%

June 8 Sold to Rohit Traders, Delhi on credit (Invoice No 437)

10 Almirahs @ Rs. 5,000 each

05 Sofa sets @ Rs. 4,000 each

Trade Discount 15%

June 12 Sold to Haryana Furniture Company on credit (Invoice No 253)

100 Chairs @ Rs. 1,500 each.

Trade Discount 10%.

June 15 Sold to Sunlight Furniture House for cash:

50 chairs @ Rs. 1,700 each

June 20 Sold to Atul Traders on credit

1 Old Computer for Rs. 5,000.

1 Old Machinery for Rs. 2,000.

No. of Printed Pages : 4

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Roll No. ....

**3rd Sem / OMCA, Fin., Acc.& Aud**

**Subject:- Book-Keeping & Accountancy - I / II /  
Financial Accounting - I**

Time : 3Hrs.

M.M. : 100

### SECTION-A

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

Q.1 Accounting is :

- a) Only a science                      b) Only an Art  
c) Art and Science Both              d) Neither Art nor science

Q.2 Cost price or market price, whichever is less, is used for valuation of :

- a) Closing stock                      b) Current Assets  
c) Fixed Assets                      d) None of these

Q.3 Bad-Debts is a :-

- a) Personal Account  
b) Real Account  
c) Nominal Account  
d) Artificial personal Account

Q.4 "Debit what comes in and credit what goes out" is the rule of :

- a) Personal Account                  b) Real Account  
c) Nominal Account                  d) None of these

Q.5 The balance of bank column of cash book always shows a \_\_\_\_\_ balance:

- a) Debit                                      b) Credit  
c) Either Debit or Credit  
d) Neither Debit nor Credit

Q.6 Recording is made in purchase Book:

- a) After adding trade discount

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- b) After deducting trade discount
- c) After adding cash discount
- d) After deducting cash discount
- Q.7 Which item shows a debit balance in the trial Balance:
  - a) Purchase Return      b) Sales
  - c) Salary Outstanding    d) Prepaid Expenses
- Q.8 Which of the following errors will affect the agreement of trial Balance:
  - a) Error of principle
  - b) Error of posting in wrong account
  - c) Posting to the wrong side
  - d) Omission of recording
- Q.9 Credit balance of pass book means:
  - a) Favorable Balance      b) Unfavorable Balance
  - c) Both A and B            d) Neither A nor B
- Q.10 Asset sold on credit will be recorded in :
  - a) Cash book                b) Sales book
  - c) Sales return book       d) Journal proper

### SECTION-B

- Note:** Objective type questions. All questions are compulsory. (10x1=10)
- Q.11 Book-keeping is a wider concept than accounting. (T/F)
  - Q.12 The term 'sales' is used only for the sales of \_\_\_\_\_.
  - Q.13 Revenue means the income of a recurring nature. (True/False)
  - Q.14 Opening Entry is passed for the first transaction of each day. (True/False)
  - Q.15 Sales return account is always credited. (True/False)
  - Q.16 A contra entry is one which does not require posting to the ledger. (True/False)
  - Q.17 All business transactions are first of all recorded in a Ledger. (True/False)

- Q.18 A Trial Balance is prepared on the basis of \_\_\_\_\_.
- Q.19 When the Trial Balance does not agree, the difference is transferred to \_\_\_\_\_ A/c.
- Q.20 Bank Overdraft means a \_\_\_\_\_ balance in pass book.

### SECTION-C

- Note:** Short answer type questions. Attempt any twelve questions out of fifteen questions. (12x5=60)
- Q.21 Define Accounting. What is Accounting Cycle?
  - Q.22 Explain Money Measurement Concept of accounting.
  - Q.23 Give reasons of popularity of double entry system.
  - Q.24 Classify the following accounts into Personal, Real or Nominal accounts. (i) Capital (ii) Insurance Premium (iii) Cash (iv) Goodwill (v) Sales
  - Q.25 What is journalising? Explain the features of journal.
  - Q.26 Distinguish between Trade Discount and Cash Discount.
  - Q.27 What is Contra Entry? How will you recognize it from other entries in Cash Book.
  - Q.28 Define Purchase Book and give the specimen of Purchase Book
  - Q.29 How does a Cash Book serve 'Dual Purpose'.
  - Q.30 Briefly explain the advantages of Ledger.
  - Q.31 Distinguish between Books of Original Entry and Ledger.
  - Q.32 Define the objectives of preparing a Trial Balance.
  - Q.33 Give journal entries to rectify the following errors:
    - i) Rs. 2,000 paid for furniture purchased has been debited to purchase account.
    - ii) Rs. 2,500 paid to Mr. X for salary were debited to his personal account.
    - iii) Credit sales to Mr. Y Rs. 6,000 were recorded as Rs. 600.
  - Q.34 Explain the need of preparing a Bank Reconciliation Statement.
  - Q.35 Define the terms Debtors and Prepaid Expenses.