

- Q.30 Define Ledger. What is the purpose of posting in a ledger?
- Q.31 Describe the merits of trading account.
- Q.32 What are the limitations of accounting?
- Q.33 Enlist the Assets and Liabilities included in the balance sheet.
- Q.34 Explain the rules of Debit and Credit according to the double entry system.
- Q.35 What are the objectives of preparing a Balance Sheet?

SECTION-D

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

- Q.36 Define accounting. Discuss various concepts and conventions.
- Q.37 What do you mean by special purpose subsidiary books? Explain any two types of subsidiary books.
- Q.38 What is the purpose of preparing final accounts? Explain various user of accounting information.

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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 assets that can be converted into cash within one year:
a) Capital Assets b) Fixed Assets
c) Investment d) Intangible Assets
- Q.2 Machinery is:
a) Capital b) Current Assets
c) Fixed Assets d) Intangible Assets
- Q.3 Any written evidence in support of a business transaction is known as:
a) Ledger b) Voucher
c) Journal d) Investment
- Q.4 The account that records Assets is a:
a) Personal Account b) Real Account
c) Nominal Account d) None of above
- Q.5 Gross profit is result of:
a) Trading Account
b) Profit & Loss Account
c) Balance Sheet
d) None of these

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Q.6 If a trial balance totals do not agree, the difference must be entered in

- a) The Capital Account
- b) A Nominal Account
- c) The Profit & Loss Account
- d) A Suspense Account

Q.7 The objective of Financial Accounting is?

- a) To minimize expenses
- b) To maintain balance sheet
- c) To keep track of Assets
- d) To provide financial information to shareholders

Q.8 Capital + Liability = ?

- | | |
|------------|--------------------|
| a) Voucher | b) Assets |
| c) Revenue | d) Unearned Income |

Q.9 Final accounts includes:

- a) Trading Account
- b) P/L Account
- c) Balance sheet
- d) All of these

Q.10 Which of the following is not an assets?

- a) Inventory
- b) Cash
- c) Debtors
- d) Creditors

SECTION-B

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

Q.11 An Outstanding Expense is a type of expense that is due but has not been paid. (True/False)

Q.12 Journal entries are typically entered in chronological order. (True/false)

Q.13 The owner is the only user of financial information. (True/false)

Q.14 Indirect expenses are entered in trading account. (True/False)

Q.15 Final accounts are prepared at the end of the year. (True/Flase)

Q.16 Any legal activities performed for earning profit is called business. (True/False)

Q.17 Cash books always show credit balance. (True/False)

Q.18 The sum of current assets is always equal to current liability. (True/False)

Q.19 Only monetary transactions are recorded in accounting. (True/False)

Q.20 Accounting is a process of recording, classifying & summarizing the business transaction. (True/False)

SECTION-C

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

Q.21 Discuss the methods of preparing trial balance.

Q.22 What is the purpose of preparing a P/L account?

Q.23 Explain the types of errors.

Q.24 Prepare a trading account with imaginary figures.

Q.25 What do you mean by Journal? Discuss its advantages.

Q.26 Write a note on:

- a) Assets
- b) Liabilities

Q.27 Define double entry system. Describe its importances.

Q.28 Discuss the process of Journalising.

Q.29 Discuss the objectives of trial balance.