Paper Code - 3053

B B A Sem – I (Old Course)

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Principles and practice of Accountancy

કુલ સમય :– ૬૦ મીનીટ **કુલ પ્રશ્નો : ૫૦** **વિદ્યાર્થીએ ટીક કરવાના પ્રશ્નો : ૩૫**

નોંધ : વિદ્યાર્થીએ માત્ર ૩૫ પ્રશ્નો જ ટીક કરવાના રહેશે. જો વધારે ટીક કરેલ હશે તો પ્રથમ ૩૫ પ્રશ્નો જ ગણતરીમાં લેવામાં આવશે.

Q.1 "Accounting is an art of recording, classifying and summarizing in a significant manner and in terms of money, transactions and events, which are in part at least, of financial character and interpreting the reasons thereof." – Examine the statements.

a) True b)False

Q.2 Among the followings which is not the characteristics of Accounting?

a) Only financial transactions are recorded b)Recorded in terms of money

c) Records made with particular objective d)Non-financial transactions are recorded

Q.3 Book-keeping is concerned with recording business transaction in the books of account.

a) True b)False

Q.4 Methods of Keeping Accounts include_____

a) Double-entry book keeping b)Single entry system

c) Indian system or Bahi-khata system d.All of the above

Q.5 Among the followings which are the different branches of Accounting?

a) Financial Accounting b.Cost Accounting c.Management Accounting d.All of the above

Q.6 Fundamental Accounting assumptions include_____

a) Going concern b.Consistency c.Accrual d.All of the above

Q.7 Which is the first steps of an Accounting cycle?

a) Journal Entry b.Ledger & Posting c.Identification of Transaction d.Trial Balance

Q.8 Accounting Equation: Assets = Liabilities + _____.

a) Expenditure b.Capital c.Fixed Assets d.Secured Loan

Q.9 Identify the type of transaction: Purchased goods from Iceland stores Rs. 250.

a) Non- Economic transaction b.Credit transaction c.Cash transaction d.Non- financial transaction

Q.10 Capital Account is a _____ Account.

a) Personal b.Real c.Nominal d.None of the above

Q.11 Gujarat University account is classified as _____Account.

a) Nominal b.Real c.Personal d.None of the above

Q.12 Bad-debt account is which type of account?

a) Personal b.Real c.Nominal d.None of the above

Q.13 Identify the rules of debit and credit for personal account.

a) "Debit what comes in and credit what goes out" b."Debit the receiver and credit the giver"

c. "Debit expenses and losses and credit Income and gains" d.All of the above

Q.14 Identify the rules of debit and credit Nominal account.

a) "Debit what comes in and credit what goes out" b."Debit the receiver and credit the giver"

c."Debit expenses and losses and credit Income and gains" d.All of the above

Q.15 _____ Account is debited with the cost of goods withdrawn for personal use and _____ Account is credited.

a) Drawing, Capital b.Drawings, Goods withdraw for personal use

c.ersonal, Goods withdraw for personal use d.Goods withdraw for personal use, Drawing

Q.16 When a proprietor sells his private car and brings money in the business, which account is credited?

a) Personal b.Real c.Nominal d.Capital

Q.17 Expense incurred on purchase of Assets is debited to which account?

a) Expense b.Asset c.Real d.Personal

Q.18 While closing the account, the credit balance of an account is written on _____ side.

a) Credit b.Debit c.Right side d.None of the above

Q.19 Journal is a book of _____ while a ledger is the _____.

a) Original entry, Posting b.Principal book of accounts, Account

c.Original entry, Principal book of accounts d.Account, Posting

Q.20 When a person becomes our debtor, his account is_____.

a) Credited b.Debited c.Closed d.None of the above

Q.21 Transactions of _____ are recorded in purchase book.

a) Cash purchase of goods b.Cash purchase of fixed assets

c.Credit purchase of goods d.Credit purchase of fixed assets

Q.22 A credit note is sent to a person whose account is to be debited.

a) True b.False

Q.23 Transactions of returns outwards are recorded in:

a) Purchase book b.Purchase return book c.Sales return book d.Sales book

Q.24 Advantages of Subsidiary books includes:
a) More persons writing accounts b.Ease in posting
c.Possibility of errors and frauds reduced d.All of the above
Q. 25 Purchase book is also known as:
a) Sold day books b.Day books c.Sales journal d.Invoice book or Bought day book
Q.26 Cash book serves the purpose of both _____ and _____ books.
a) Journal and cash book b.Journal and ledger c.Receipts and payment d.Ledger and subsidiary book
Q.27 A transaction entered in cash book for which no posting is to be made is called a _____ transaction.
a) Debit b.Credit c.Contra d.Payment
Q.28 The left hand side of cash book is called _____ side.
a) Payment b.Receipts c.Credit d.Right
Q. 29 Cash account is opened in ledger to post the cash transactions recorded in cash book.
a) True b.False
Q.30 In three columnar cash book, Cash paid into bank is written in _____ column on receipt side.
a) Cash b.Bank c.Discount d.Debit
Q.31 Balance sheet is not an _____ but is a _____.
a) Statement, Account b.Account, Proforma c.Account, Statement d.None of the above
Q.32 Credit balance of trading account is known as:
a) Net profit b.Gross loss c.Net loss d.Gross profit
Q.33 Expenses relating to purchases are recorded in _____.
a) Debit side of P & L a/c b.Debit side of Trading a/c
c.Liability side of balance sheet d.Credit side of Trading account
Q.34 Operating expenses are recorded in _____.
a) Debit side of P & L a/c b.Debit side of Trading a/c
c. Liability side of balance sheet d.Credit side of Trading account
Q.35 Debit balance of profit and loss account is known as:
a) Net profit b.Gross loss c.Net loss d.Gross profit
Q.36 While preparing the balance sheet, Income due but not received is shown in:
a) Liability side under the heading current liability b.Assets side under the heading current assets
c. Debit side of Profit and loss a/c d.Credit side of Profit and loss a/c
Q.37 The book value of closing stock is Rs. 35,000 and its market value is Rs. 30,000. At what price closing stock is recorded while preparing final accounts?
a) Rs. 35,000 b.Rs. 5,000 c.Rs. 65,000 d.Rs. 30,000
Q.38 Carriage outward is recorded on:
a) Debit side of P & L a/c b.Debit side of Trading a/c
c.Liability side of balance sheet d.Credit side of Trading account
Q.39 Which accounting statement is prepared to show the financial position of the business?
a) Trading account b.Profit and loss account c.Manufacturing account d.Balance sheet
Q.40 The last step for an accounting cycle is:
a) Trial balance b.Ledger posting c.Identification of transaction d.Preparation of final accounts
Q.41 Depreciation is the diminution in the value of an asset.
a) True b.False
Q.42 From the following, which are the causes of depreciation?
a) Wear and tear b.Passage of time c.Obsolescence d.All of the above
Q.43 Depreciation is _____.
a) Cash expenditure b.Non-cash expenditure c.Non – operating expenses d.Capital expenditure
Q.44 Written down value method is also known as:
a) Straight line method b.Reducing balance method c.Amortization method d.None of the above
Q. 45 Under which method, the annual amounts of depreciation remain same every year?
a) Straight line method b.Reducing balance method c.Amortization method d.All of the above
Q.46 Which method of depreciation is more appropriate for such an asset whose useful life can be estimated with reasonable accuracy?
a) Reducing balance method b.Straight line method c.Amortization method d.None of the above
Q.47 Under which method the amount of depreciation goes on reducing every year?
a) Straight line method b.Reducing balance method c.Amortization method d.All of the above
Q.48 The cost price of a machine is Rs. 7,000 and its scrap value is estimated at Rs. 1,000. What will be the amount of annual depreciation according to Straight line method, if the useful life of machine is 10 years?
a) Rs. 700 b.Rs. 800 c.Rs. 600 d.Can't be computed
Q.49 Total amount of depreciation of an asset cannot exceed its:
a) Scrap value b.Market value c.Depreciable value d.None of the above
Q.50 A machine that cost Rs. 1,20,000 has accumulated depreciation of Rs. 50,000. Then what will be the book value of that machine?
a) Rs. 1,70,000 b.Rs. 70,000 c.Rs. 1,20,000 d.Rs. 50,000