

Seat No.:

## MARCH - 2022 (Summer session) Examination

Subject Code: 66181

(विद्यार्थ्यांनी हा विषय कोड OMR वर लिहावा / Student should fill this code on OMR sheet)

Subject Name: 66181 - Fundamentals Of financial Accounting I\_25.07.2022\_01PM

Date: 25-07-2022 **B.Voc Part - 2 Sem-III** Time: 14:00:00 to 14:00:00

QP Code: 9868QP (RMIT / FPM)

Total Marks : 50 Each Question 2 Marks, Total 25 Ques, Duration 1 Hr

1. Land and Building owned by a firm should be classified as:

- a. Fixed Assets
- b. Current Assets
- c. Fictitious Assets
- d. None of the above

2. The profit on sale of old furniture should be credited to:

- a. Trading Account
- b. Profit and Loss Account
- c. Manufacturing Account
- d. All of the above

3. Returns Outward is deducted from:

- a. Sales
- b. Net Profit
- c. Capital
- d. Purchases

4. Goodwill is....

- a. Current Asset
- b. Liquid Asset
- c. Intangible Asset
- d. Fictitious Asset

5. Balance Sheet of a firm shows:

- a. Gross Profit
- b. Sales made during the year
- c. Financial position
- d. Units produced during the year

6. Selling and Administrative Expenses are shown in:

- a. Profit and Loss Account
- b. Trading Account
- c. Manufacturing Account
- d. Balance Sheet

7. Which of the following is an example of current liabilities?

- a. Bank Loan
- b. Debentures
- c. Creditors
- d. Owner's Capital

8. It is necessary to make a distinction between capital and revenue items because:

- a. It is helpful to assess financial position
- b. It is helpful in calculating true profit or loss
- c. It is required by accounting principles
- d. All of the above



9. Every fixed asset loses its value due to use or other reasons. This decline in the value of assets is known as \_\_\_\_\_.

- a. Provisions
- b. Depreciation
- c. Devaluation
- d. Amortisation

10. Which of the following is the example of the revenue reserve?

- a. Profit on redemption of debentures
- b. Profit on revaluation of fixed
- c. Investment fluctuation fund
- d. Profit on re-issue of forfeited shares

11. The loss on sale of an asset is debited to \_\_\_\_\_.

- a. Profit and loss account
- b. Trial balance credit side
- c. Balance sheet
- d. Trading account

12. Asset disposal A/c is prepared when \_\_\_\_\_.

- a. Provision for depreciation A/c is prepared
- b. Asset A/c is prepared
- c. Profit and loss A/c is prepared
- d. Depreciation A/c is prepared

13. The depreciation charged on an asset will be credited to \_\_\_\_\_.

- a. Depreciation A/c
- b. Asset A/c
- c. Bank A/c
- d. Cash A/c

14. A ledger is called a book of.

- a. Primary entry
- b. Final entry
- c. Original entry
- d. None of the above

15. From which of the following is a ledger account prepared.

- a. Transactions
- b. Journal
- c. Events
- d. None of the above

16. Ledger is a principal book that contains.

- a. Real accounts only
- b. Personal accounts only
- c. All accounts
- d. Nominal accounts only

17. Among these, which item is used as the base for preparing trial balance?

- a. Cash account
- b. Balance sheet
- c. Journal
- d. Ledger account

18. \_\_\_\_\_ is the last step of accounting as a process of information.

- a. Recording of data in the books of accounts
- b. Preparations of summaries in the form of financial statement
- c. Communication of information
- d. Analysis and interpretation of information

19. The person, firm, or institution who does not pay the price in cash for the goods purchased or the services received is called \_\_\_\_\_.



- a. Creditor
- c. Debtor

- b. Proprietor
- d. None of these

20. Use of a common unit of measurement and common format of reporting promotes \_\_\_\_.

- a. Comparability
- c. Relevance

- b. Understandability
- d. Reliability

21. Cash, goods, or assets invested by the proprietor in the business for earning profit is called \_\_\_\_.

- a. Profit
- c. Fixed assets

- b. Capital
- d. None of these

22. Which of the following is not a business transaction?

- a. Bought furniture of Rs. 10,000 for business
- c. Paid son's fees from her personal bank account Rs. 20,000

- b. Paid for salaries of employees Rs. 5,000
- d. Paid son's fees from the business Rs. 2,000

23. The art of recording all business transactions in a systematic manner in a set of books is called \_\_\_\_.

- a. Accounting
- c. Ledger

- b. Bookkeeping
- d. None of these

24. XYZ wants to buy a building for her new business today. Which of the following is the relevant data for her decision?

- a. Similar business acquired the required building in 2000 for Rs. 10,00,000
- c. Building cost details of 1998

- b. Building cost details of 2003
- d. Similar building cost in August 2005 for Rs. 25,00,000.

25. Carriage inwards is shown on

- a. Debit side of Trading Account
- c. Assets side of the Balance Sheet

- b. Debit side of Profit and Loss Account
- d. Liabilities side of the Balance Sheet

