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SECTION -B (ESSAY TYPE QUESTIONS)
(5x5=25 Marks)

1. What are objectives of preparing accounts?
2. Differentiate between single entry and double entry system of book keeping.
3. Explain the accounting convention of conservatism with example.
4. What do you mean by accounting concept? Explain any four accounting concepts
5. Trial balance is a link between ledger and final account. Explain.
6. What is trial balance? Does the balancing of this ensure accuracy of books of accounts?
7. Name the method that assures that an asset should be depreciated more in the earlier years and less in the later years? Why this method is appreciated?
8. A firm has current ratio 3:1 and quick ratio 1:1. If inventory at the end is Rs 1, 50,000. Find current assets, current liabilities and quick assets.

==END OF PAPER==

2112A015

BACHELOR OF VOCATION
Agriculture
Subject: Basics of Accounting
Subject Code: AGR-806
Semester: Fifth
December 2021
Theory (External): 35 Marks
Time: 03 Hours

Instructions to the Students

1. This Question paper consists of two Sections. All sections are compulsory.
2. Section A comprises 10 questions of objective type in nature. All questions are compulsory. Each question carries 1 mark.
3. Section B comprises 8 essay type questions out of which students need to do any 5. Each question carries 5 marks.
4. Read the questions carefully and write the answers in the answer sheets provided.
5. Do not write anything on the question paper.
6. Wherever necessary, the diagram drawn should be neat and properly labelled

Roll Number									

SECTION –A (SHORT/OBJECTIVE TYPE QUESTIONS)
(10x1=10 Marks)

- A. ____ is root cause for financial accounting.
- a) Social accounting
 - b) Management accounting
 - c) Human resource accounting
 - d) Steward ship accounting
- B. For every debt there will be an equal according to,,
- a) Dual aspect concept
 - b) Matching concept
 - c) Money measurement concept
 - d) Cost concept.
- C. Which accounting principal differentiate between owner and management?
- a) Going concern
 - b) Dual aspect
 - c) Separate entity
 - d) Conservatism
- D. In accounting all business transactions are recorded as having dual aspect due to
- a) Money measurement concept
 - b) Dual aspect concept
 - c) Going concern concept
 - d) Matching concept.
- E. Point out correct accounting equation
- a) $Assets = liabilities - Capital$
 - b) $Liabilities = Capital + Assets$
 - c) $Capital = Assets + Liabilities$
 - d) $Liabilities = Assets - Capital$
- F. Which of the following is not a fundamental accounting assumption?
- a) Going concern
 - b) Consistency
 - c) Accrual
 - d) Matching
- G. Depreciation is a process of
- a) Allocation of cost
 - b) Valuation of assets
 - c) Both A & B
 - d) None of the above
- H. Under which method the amount of depreciation remain same year after year?
- a) Fixed installment method
 - b) Reducing balance method
 - c) Annuity method
 - d) Depletion method
- I. Direct expenses are entered in
- a) Trading account
 - b) Profit and loss account
 - c) Balance sheet
 - d) None of the above
- J. Drawing deducted from
- a) Sales
 - b) Purchase
 - c) Return outward
 - d) Capital