**QUESTION BANK**

**BUSINESS ACCOUNTING**

**Subject code:-16CCCCM3**

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**UNIT-1**

**Section-A**

1. What is Branch?
2. What do you mean by Debtors system?
3. What is depreciation?
4. What are the objects of branch accounts?
5. What do you mean by surplus of goods?
6. What is meant by Goods in transit?
7. What do you mean by Department?
8. What is Departmental Accounting?
9. What is stock reserve?
10. What are the types of branches?

**Section-B**

1. Explain briefly the types of branches?
2. Enumerate the need of branch accounts?
3. Explain briefly the objects of branch accounts?
4. What do you understand by stock and debtor system?
5. What is a ‘ Department ? explain with example.
6. What are the advantages of preparing departmental account?
7. What are departmental accounts? Explain it.
8. What do you mean by ‘inter –departmental transfers ?
9. What are the bases on which common expenses are apportioned among departments ?

**Section-C**

1. How do you allocate the following expenses in departmental accounts:-(i)Salaries (ii) lighting (iii) Discount allowed (iv) Rent & taxes.
2. Briefly explain the features of dependent branch?
3. Explain the features of an independent branch.
4. Explain briefly the reasons for sending goods to branches at invoice price.
5. Distinguish between branch accounts and departmental account.
6. Distinguish between wholesale and retail branches. What are their special accounting features?
7. Distinguish between departments and branches.
8. Explain the procedure for preparation of departmental accounts.

**UNIT-II**

**Section-A**

1. Define Hire purchase.
2. What is Down payment?
3. What is Cash price?
4. What is Hire purchase price?
5. What is Interest?
6. Who is a Hirer?
7. What is Dead rent?
8. What do you mean by recoupment of shortworkings?
9. What is Fixed recoupment?
10. What is Flexible recoupment?
11. What is Repossed stock?
12. What is Instalment?

**Section-B**

1. Briefly explain the features of hire purchase system.
2. What are the characteristics of hire purchase system.
3. Distinguish between hire purchase and instalment system.
4. Distinguish between hire purchase price and cash price.

**Section-C**

1. Briefly explain instalment purchase system.
2. What is hire purchase trading account? How do you ascertain profit or loss under the method?

**UNIT-III**

**Section-A**

1. Give short notes on the following:-(i).debtors ledger (ii)creditors ledger
2. Give short notes on the following:-(i) Short workings(ii) Sub-lease
3. Give short notes on the following:-(i)Nominal ledger(ii) Strike
4. What is Royalty?
5. What is sectional Balancing?
6. What is the purpose of self-balancing system?

**Section-B**

1. What are the advantages of self-balancing system?
2. What is self - balancing system? How are the ledger made in self – balancing ?
3. Explain the purpose of self-balancing system?

**Section-C**

1. Explain the different methods of recovery of short workings usually found in royalty agreements.
2. Explain the accounting procedure in the tenants books in relation to sub-lease.
3. Highlight the transactions which can increase and decrease the balance in a debtors account.
4. Give the journal entries needed to make the debtors ledger and the creditors ledger into self balancing ledgers.

**UNIT IV**

**Section-A**

1. What are the purpose of “sale or return” ?
2. What is ‘sale or return’ ?
3. What is the need for fire insurance?
4. What do you mean by Indemnity period?
5. What is Standing charges?
6. What is Salvage value?
7. What is Gross profit ratio?
8. What is Indemnity period?
9. What do you mean by Short sales?
10. What do you mean by affected period?

**Section-B**

1. Explain the types of the fire insurance policy.
2. Explain breifly the purposes of fire insurance?
3. Give short notes on the following:- (i) Salvage value (ii) Gross profit ratio(iii) Short sales.
4. Explain briefly the methods of recording sale or return transactions.
5. What is average clause in fire insurance policy?Explain it.

**Section-C**

1. Describe the steps involved in recording sale or return transactions when they are large in numbers?
2. How do you account for sale or return transactions when it is decided to show them as actual sales?
3. Explain the procedure to ascertain stock on the date of fire. How do you compute the claim for loss of stock?
4. Describe the procedure for computation of class under ‘Loss of profits” policy.

**UNIT-V**

**Section-A**

1. Who is an insolvent?
2. Who are Fully secured creditors?
3. Who are Unsecured creditors?
4. Who are Partly secured creditors?
5. Who are Preferential creditors?

**Section-B**

1. Who are Unsecured creditors? Give some examples for unsecured creditors.
2. What do you understand by partly secured creditors? Give some examples for it.
3. Why do you prepare a deficiency account? What are its content?
4. Who are Preferential creditors? Give some examples for it.

**Section-C**

1. Distinguish between Balance sheet and Statement of affairs.
2. Enumerate the lists to be prepared by a debtor to prepare statement of affairs for the purpose of insolvency.
3. What are the items included under the heading of preferential creditors as per list D?
4. How do you treat wife’s loan while preparing insolvency accounts of an individual?
5. Distinguish between insolvency of an individual and that of a partnership firm.