Question bank of Financial Accounting
Class: FYBBA(CA) Sem-ll

JOURNAL ENTRIES, FILL IN THE BLANKS & TRUE / FALSE.

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A) Journalese the following transaction in the books of Mr. Sunil for the month of 31st March 2020.

01/03/2020 Started business with cash Rs. 15000 out of which Rs. 10000 were borrowed from Dena Bank.

• 03/03/2020 Goods distributed as free sample Rs.6000.
• 05/03/2020 Sold furniture to Ramakant of Rs. 10,000.
• 07/03/2020 Paid wages Rs. 400.
• 09/03/2020 Received Commission of Rs. 200. 11/03/2020 Sold goods for cash of Rs.2000. 13/03/2020 Goods destroyed by fire of Rs.3000.
• 15/03/2020. Provide 5% depreciation on machinery costing Rs.50,000.
• 16/03/2020 Sold goods to Rajesh of Rs. 8000.
• 18/03/2020 Amount deposited into Bank Rs.5000.
• 20/03/2020 Rajesh return goods to us Rs.1000.
• 21/03/2020 with draw goods worth Rs. 3000 for personal use.
• 22/03/2020 Received Rs.4000 from Rajesh.
• 25/03/2020 purchased goods worth Rs. 20000 @ 20% trade discount from Meghraj and Company.
• 26/03/2020 Sold goods worth Rs. 10,000 for cash @ 10% cash discount.
• 28/03/2020 Amount withdrawn from Bank Rs.2000 for official use. 31/03/2020 Paid house rent Rs.4000.
B) Fill in the blanks.

1. Goodwill is ___ asset.
2. Every business transaction has atleast___ effects.
3. Bank overdraft is a ___of the business.
4. Only____ transactions are recorded in the books of accounts.
5. According to_____ concept the business goes on and on.
6.____ is an art of recording and classifying business transactions.
7. Principle of personal account is____.
8. ___ accounting system saves lot of monotonous work.
9. Debit the receiver credit the giver is the rule for____ account.
10. All revenue income credited to____ account.
11. Assets always have___ balance.
12. Credit sales are recorded in____ book.
13. Capital is excess of____ over liabilities.
14. Trial balance shows only____ accuracy.
15. Cash book records only____ transactions.
16. Bank reconciliation statement is prepared by____.
17. The___ cannot make a decision itself like human beings.
18.____ accounting is an economical and time saving device.
19. To delete voucher entry under Tally we use___ key.
20. When amount is deposited or withdrawn from Bank it is known as___ entry.

c) State whether the following statements are true or false.

1. All the accounting standards are monetary.
2. Accounting is the language of business.
3. Accounting has no branches or areas.

4. Personal accounts are the accounts of assets.

5. Decrease in the value of fixed assets is termed as depreciation.

6. Accounting is concerned with monetary and non-monetary transactions.


8. Salary payable is a nominal account.

9. Narration is written just below the journal entry.

10. Depreciation is an amortized expenditure.

11. Closing stock is always valued at cost price.

12. Patent is a personal account.

13. Balance sheet is a statement.

14. There is no difference between accounting concepts and accounting conventions.

15. Ramesh is a personal account.


17. The bank makes immediate cash payment on the presentation of a crossed cheque.

18. Recording of transactions in journal is called posting.

19. Machinery account always shows debit balance.

20. Depreciation is capital expenditure.