

**Q.1. Answer the following. (Any 3) (15)**

1. Describe the financial statement and how they are prepared?
2. Analyse the business transaction on the accounting equation.
3. Analysis the business transaction effect on trial balance.
4. Who are the users of accounting information?
5. Explain how ledger and posting help in the recording process?
6. How to prepare trail balance?

**Q.2. Answer the following. (Any 3) (15)**

1. Explain the accrual basis of accounting and the reason for adjusting entries?
2. Explain the steps in accounting cycle?
3. Classify the balance sheet format?
4. Describe the nature and purpose of an adjusted trail balance
5. Prepare adjusting entries for deferral transactions.
6. Explain how to prepare worksheet.

**Q.3. Answer the following. (Any 3) (15)**

1. Describe merchandising operations and inventory system.
2. Difference between perpetual inventory system, and periodic system.
3. Explain basic concept of accounting information system.
4. Write a short note on effect of inventory error.
5. How to record purchase under perpetual inventory system.
6. How to classifying and determine inventory.

**Q.4. Answer the following. (Any 3) (15)**

1. Write in detailed about fraud and the principle of internal control.
2. Explain accounting for plant asset and depreciation method for plant assets.
3. Describe how to account the natural resources.
4. How to apply internal control principle to cash.
5. Explain how company recognize account receivable?
6. How to account for disposal of intangible assets?

**Q.5. Answer the following. (Any 3) (Any 3) (15) (15)**

1. Explain how to account for net income and net loss of a partnership?
  2. Explain how to account for current liabilities?
  3. Discuss how current liabilities are reported?
  4. Explain types of liabilities?
  5. Explain how to account for liquidation of a partnership.
  6. Discuss the steps in formation of partnership firm.
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