

Shakuntala Krishna Institute Of Technology KD-64

Basic Accounting – Important Long Questions

1. Define **Accounting**. Explain its meaning, objectives, importance, and limitations.
2. Discuss the **Generally Accepted Accounting Principles (GAAP)** with suitable examples.
3. Explain the **Accounting Concepts and Conventions** with their importance in business.
4. What is the **Accounting Cycle**? Explain its steps in detail with examples.
5. Define **Double Entry System**. Discuss its rules, advantages, and limitations.
6. Explain the process of preparing **Journal Entries** with suitable examples.
7. What is a **Ledger**? Explain its importance and procedure of posting transactions.
8. Define **Trial Balance**. Discuss its objectives, importance, and limitations.
9. What is a **Cash Book**? Explain different types of cash books with their uses.
10. Define **Final Accounts**. Explain the preparation of Trading Account, Profit & Loss Account, and Balance Sheet.
11. Discuss the **Difference between Capital and Revenue Expenditure** with examples.
12. What are **Depreciation Methods**? Explain Straight Line Method and Written Down Value Method with examples.
13. Define **Errors in Accounting**. Explain types of errors and their rectification process.
14. What is **Bank Reconciliation Statement (BRS)**? Explain its need, objectives, and preparation.
15. Discuss the **Difference between Provision and Reserve** with suitable examples.