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**PG DIPLOMA IN RURAL BANKING
(PGDRBI)**

Term-End Examination

December, 2011

MCQ-034 :ACCOUNTING

Time : 3 hours

Maximum Marks : 100

Note : Attempt any five questions.

1. Differentiate between Financial Accounting and Management Accounting. Discuss the functions of Accounting. 20
2. What is Bank Reconciliation Statement ? Explain the reasons on account of which balance shown by Pass Book does not agree with the balance shown by cash book. 20
3. Prepare a trading and Profit and loss account and a balance sheet with the help of imaginary figures. 20
4. What is break-even analysis ? Discuss the assumptions and limitations of this technique. 20

5. (a) Discuss the advantages and limitations of straight line method of depreciation. **10+10**
- (b) Explain the objectives of preparing income and expenditure account.
6. Define the term ' Budgeting'. Differentiate between zero base budgeting and traditional budgeting. **20**
7. What is meant by Responsibility centres ? How are these centres determined and for what purpose ? Discuss the steps involved in responsibility accounting. **20**
8. Write a note on the following : **10+10**
- (a) Income measurement.
- (b) Profit Planning.
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