

2020-21

Time - 3 hours

Full Marks - 80

Answer all groups as per instructions.

Figures in the right hand margin indicate marks.

GROUP – A

1. Answer all questions or fill in blanks as required. [1 × 12]
- (a) Assets of a trader ₹ 4,25,000 and liabilities ₹ 1,75,000. What is capital ?
- (b) Goods purchased for ₹ 25,000. Which account is credited ?
- (c) Payment of salary is which account ?
- (d) What is the main object of business ?
- (e) Goodwill is _____ asset.
- (f) Income received in advance should be debited to _____ account.
- (g) Decrease in the value of fixed asset is _____.
- (h) Give an example of capital expenditure.
- (i) Revaluation Account is a _____ account.

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- (j) Goods taken by the owner should be debited to _____ account.
- (k) Outstanding rent is a _____ account.
- (l) Lease contract for short term is called _____ lease.

GROUP – B

2. Answer any eight of the following questions within two to three sentences each. [2 × 8]

- (a) What is ledger ?
- (b) What is Accounting Cycle ?
- (c) Mention types of Accounts.
- (d) What is prepaid expense ?
- (e) Give examples of intangible assets.
- (f) Define Branch accounting.
- (g) What is General Reserve ?
- (h) What is partnership ?
- (i) What is depletion ?
- (j) Define opening entry with examples.

GROUP – C

3. Answer any eight of the following questions within 75 words each.

[3 × 8

- (a) What is Deferred Revenue Expenditure ?
- (b) Distinguish between Purchase Book and Sales Book.
- (c) Discuss need for charging Depreciation.
- (d) What is Partnership Deed ?
- (e) What is Profit and Loss Appropriation Account ?
- (f) What is Hire Purchase and installment system ?
- (g) Distinguish between Trial Balance and Balance Sheet.
- (h) What is Triple Column Cash Book ?
- (i) What is Realisation Account ?
- (j) Explain super profit method.

GROUP – D

Answer any four questions within 500 words each.

- 4. Define Financial Accounting. Discuss its importance and limitations. [7
- 5. Explain the steps involved on dissolution of partnership firm. [7
- 6. Explain different methods of keeping the accounts of dependent branches by the Head Office. [7

7. The following is the Trial Balance of Mr. Ram Lal on 31st March 2015 :

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Debit Balances	₹	Credit Balances	₹
Bank	7,500	Bills payable	50,000
Purchases	34,96,000	Capital	2,00,000
Salaries	21,000	Loan	1,00,000
Carriage on Sales	2,500	Sales	36,00,000
Carriage on Purchases	2,000	Discount	2,000
Lighting	1,500	Commission	500
Bills Receivable	7,500	Sundry Creditors	1,00,000
Stock (1st April, 2014)	3,06,250		
Building	1,35,000		
Rates and Taxes	2,000		
Sundry Debtor	40,000		
Furniture	30,000		
Cash in Hand	1,250		

Adjustments :

Prepaid rent ₹ 600. During the year Bad debts amounted to ₹ 2,500, A provision a 5% has to be made on debtors. Buildings have to be depreciated at 2% and furniture at 10%. Prepare Trading and Profit & Loss Account and Balance Sheet as on 31st March 2015.

8. Following is the Balance Sheet of Akash and Bikash firm on 31st December, 2018. The profit sharing ratio was 3 : 2.

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	97,500	Land and Building	30,000
General Reserve	12,500	Motor Vehicles	18,300
Capital :		Stock	72,800
Akash	77,500	Debtor	90,750
Bikash	58,000	Cash	33,650
	2,45,500		2,45,500

The firm was dissolved on the above date.

The Assets realised as follows :

Motor vehicle ₹ 16,950.

Stock ₹ 77,600.

Land and Building ₹ 43,500,

Debtor in full. Creditors were paid off subject to a discount of ₹ 1,700. Expenses on Realisation were ₹ 1,250. Prepare Realisation Account, Cash Account and Partner's Capital account.

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9. A manufacturing company purchased two machines at a ₹ 2,00,000 each on April 1, 2015. The company writes off depreciation @ 20% p.a. on original cost.

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On 1st October, 2017 one machine was completely destroyed and insurance company paid ₹ 90,000 in full settlement of the claim.

Prepare Depreciation Account and Machinery Account for three years ending 31st March 2017.

10. Explain the difference between Departmental accounts and Branch accounts.

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