

2023

Time - 3 hours

Full Marks - 80

Answer all groups as per instructions.

Figures in the right hand margin indicate marks.

GROUP - A

1. Fill in the blanks. (all)

[1 × 12

- (a) _____ is called language of business.
- (b) Recording financial transactions in books of Account is known as _____.
- (c) Recording of transactions when they are due to be paid or received is known as _____ basis of Accounting.
- (d) Goodwill is an _____ Asset.
- (e) _____ Accounts are not balanced at the end of Accounting year.
- (f) Journal proper is a _____ book.

- (g) The amount of Depreciation will remain same on any fixed Asset in _____ year.
- (h) Decrease in the value of intangible assets is known as _____.
- (i) _____ liabilities are not shown in Balance Sheet but shown as a foot note below it.
- (j) The written Agreement among partners is known as _____.
- (k) The difference between New Profit Sharing Ratio and Old Profit Sharing Ratio is known as _____.
- (l) Expenses on installation of a Machinery is _____ expense.

GROUP - B

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

- (a) Name four parties who are interested in Accounting information.
- (b) Name any four subsidiary books.
- (c) Why cash book is called Journal as well as Ledger ?
- (d) What is Deferred Revenue Expense ?

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- (e) What is Accounting Standard-6 (AS-6) ?
- (f) What is Gross Profit and Gross Loss ?
- (g) What is Marshalling of Balance Sheet ?
- (h) What is Hire Purchase System ?
- (i) What is Reconstitution of partnership ?
- (j) What is piecemeal distribution ?

GROUP - C

3. Answer any eight of the following within 75 words each. [3 × 8]
- (a) Give three differences between Book Keeping and Accounting.
 - (b) Differentiate between cash basis and accrual basis of Accounting.
 - (c) What is a Trial balance ? Why it is prepared ?
 - (d) Differentiate between Capital and Revenue Expenses.
 - (e) Differentiate between Gross Profit and Net Profit.
 - (f) What is Doctrine of Matching concept ?
 - (g) What is Accounting Standard ?
 - (h) What is Revaluation Accounting ?

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- (i) What is Branch Adjustment Account ?
- (j) Give three differences between Hire purchase and Installment purchase.

GROUP - D

*Answer **any four** questions within 500 words each.*

- 4. Write briefly about different Subsidiary Books. [7]
- 5. Give Journal Entries for following. [7]
 - (a) Purchased Machinery ₹ 50,000 and paid for its carriage ₹ 2,000.
 - (b) Rent outstanding ₹ 500.
 - (c) Insurance prepaid ₹ 300.
 - (d) Income Tax paid ₹ 2,000.
 - (e) Interest on capital paid ₹ 400.
 - (f) Distributed free samples ₹ 2,000.
 - (g) Donation paid ₹ 200.
- 6. Write briefly salient features of Accounting Standards issued by ICAI. [7]

7. X Ltd. purchased a machine on 1.4.2003 at ₹ 10,00,000. Rate of Depreciation 20% WDV. On 30.06.2005, $\frac{1}{4}$ th of machine was sold for ₹ 1,35,000. On the same day, a new machine costing ₹ 1,50,000 was purchased. Write up machine A/c upto 31.12.2005. [7]
8. Differentiate between Revenue Receipts and Capital Receipts. And so also Capital profit and Revenue profit with two examples in each case. [7]
9. X and Y are partners sharing Profit or Loss in 2 : 1 Ratio. Their Balance Sheet as on 31.12.2004 : [7]

<u>Liabilities</u>	<u>Amount</u> (₹)	<u>Assets</u>	<u>Amount</u> (₹)
Creditors	61,000	Land and Buildings	2,50,000
Bank overdraft	26,000	Machinery	1,75,000
Provision for Doubtful Debt	5,000	Stock	1,20,000
Capital		Debtors	95,000
X :	4,23,000	Bills Receivables	38,000
Y :	2,05,000	Cash	42,000
	<u>7,20,000</u>		<u>7,20,000</u>

Z was admitted for $\frac{1}{4}$ th share in profits on following terms :

- (a) He will bring capital ₹ 1,75,000
and towards Goodwill ₹ 15,000

(b) Revaluation made is as follows :

Land and building Revalued at ₹ 3,00,000

Plant and Machinery Reduced by 12%

Provision for Doubtful Debts increased to ₹ 7,400, prepaid insurance to be shown in Balance Sheet ₹ 2,200. Goodwill withdrawn by partners. Pass necessary Journal Entries.

10. Explain different types of Lease.

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