

2023

ACCOUNTANCY

Full Marks : 100

Pass Marks : 33

Time : Three hours

PART – A

FINANCIAL ACCOUNTING – I

MARKS : 50

PART – B

FINANCIAL ACCOUNTING – II

MARKS : 50

Instructions :

- I.** *All the questions are compulsory.*
- II.** *Marks are indicated on the right margin of each question.*
- III.** *For Question Nos. 1, 2, 20 and 21, four alternatives are given. Choose the correct alternatives and re-write them.*
- IV.** *For Question Nos. 3 – 6 and 22–25, the answers and calculations may be as short as possible.*
- V.** *For Question Nos. 7 – 14 and 26 – 29, answers and calculations, solutions are to be given as required.*
- VI.** *For Question Nos. 15 – 17 and 30 – 34, the answers and solutions are to be given as details.*
- VII.** *For Question Nos. 18, 19, 35 and 36 are Essay type questions. Calculations and solutions are to be shown as required.*

P.T.O.

PART – A
FINANCIAL ACCOUNTING – I

MARKS : 50

1. Accounting starts _____ . 1
 - (A) where book-keeping begins
 - (B) where book-keeping ends
 - (C) where books are not maintained at all
 - (D) after preparing final accounts
2. In Inter-state supplies transactions, which form of 'GST' is levied as – 1
 - (A) CGST
 - (B) IGST
 - (C) SGST
 - (D) VAT
3. What is cost principle ? 1
4. "Closing stock is valued at cost price or realisable value whichever is less." Which accounting principle is applied here ? 1
5. Give an example showing that when one asset decrease, the other asset increases. 1
6. When days of grace are not allowed ? 1
7. Differentiate between Debtors and Creditors. 2
8. What is Double Entry System of Book Keeping ? 2
9. State two concepts involved in assumption of 'Going concern'. 2
10. How do Accounting standards help in reduction of frauds and manipulations ? 2

11. Enumerate the rules of recording transactions in : 2
 (a) Personal Accounts and (b) Nominal Accounts.
12. Write any two difference between 'journal' and 'Ledger'. 2
13. List two examples each of Provisions and Specific Reserves. 2
14. When is Suspense Account opened ? 2
15. Enter the following transaction in the two column (Bank and Cash) Cash Book : 4
 (i) Commercial business with cash Rs. 1,00,000
 (ii) Deposit in Bank Rs. 80,000
 (iii) Received cash from Ram Rs. 1900 in full settlement of a debt of Rs. 2000
 (iv) Bought goods for cash Rs. 20,000
16. Prepare a Bank Reconciliation Statement from the following information : 4
- | | | | | |
|---|---|------------|--|---|
| Cash at Bank as shown by cash book | - | Rs. 80,000 | | |
| Cheques drawn but not yet presented | | | | |
| Tejkumar | - | Rs. 4000 | | |
| Surajkumar | - | Rs. 5000 | | |
| Cheques paid into bank not yet credited | - | Rs. 2000 | | |
| Bank charges not yet entered in Cash Book | - | Rs. 200 | | 4 |
17. Rectify the following errors : 4
- (a) Credit sales to Shyam Rs. 7000 were recorded as Rs. 7,400.
 (b) Credit purchases from Mohon Rs. 9,000 were recorded as Rs. 9,800.
 (c) Goods returned to Kaberi Rs. 4000 were recorded as Rs. 4050.
 (d) Goods returned from Romila Rs. 2000 were recorded as Rs. 2600.

18. On 1st January, 2018, a firm purchased machinery worth Rs. 50,000. On 1st July, 2020, it buys additional machinery worth Rs. 10,000 and spent Rs. 1000 on its erection. The accounts are closed each year on 31st December. Assuming that the annual depreciation is 10%. Show that Machinery Account for 4 years under the Straight Line Method. 8
19. 'X' sold furniture for Rs. 8000 to 'Y' on 1st January, 2022 and on that date drew a bill for 3 months on the latter for the amount. 'Y' accepted it and returned it to 'X' who discounted it with his banker for Rs. 7850. On the due date the bill was dishonoured. Noting charges of Rs. 150 were paid by the Bank, 'Y' then paid Rs. 3000 in cash and accepted a new bill at 3 months for the amount due to 'X' with Rs. 120 as interest. On the due date, second bill was paid by 'Y'. Draft entries in the Book of 'X'. 8

PART – B
FINANCIAL ACCOUNTING – II
MARKS : 50

20. Receipt and payment Account is a _____ . 1
- (A) Real Account
- (B) Personal Account
- (C) Balance Sheet
- (D) Nominal Account

21. Floppy Disc is an example of _____ . 1
- (A) Memory device
- (B) Magnetic recorder
- (C) Output device
- (D) Input device
22. How are Not-for-Profit Organisations managed ? 1
23. State one limitation of keeping incomplete records. 1
24. Mention one point of difference between Incomplete Records and Double Entry System. 1
25. What is the function of connectivity Software ? 1
26. Point out the objectives of preparing Financial Statements. 2
27. Furniture worth Rs. 1,00,000 were burnt by fire and claim of 70% has been accepted by the Insurance Company. Make Adjustment Entry. 2
28. List two features of a good Accounting Information System. 2
29. Enumerate two purposes of the Master Data files. 2

30. The following are the extracts from the trial balance of M/S Manglem and Sons as on 31st March, 2022 : 4

Particulars	Dr. (E)	Cr. (E)
Opening Stock	20,000	
Purchases	82,000	
Sales		1,02,000
	1,02,000	1,02,000

The value of closing stock on 31st March 2022 was Rs. 30,000. Give necessary journal entries relating to preparation of Trading Account of M / S Manglem and Sons.

31. State the ways in which a Balance Sheet may be marshalled. 4
32. You are required to ascertain Profit earned or loss incurred by Surendra. He maintains his books as per Single Entry System. The information disclosed by him is as follows : 4

Capital on 1 st April, 2021	Rs. 80,000
Capital on 31 st March, 2022	Rs. 1,50,000
Drawings made between 1 st April, 2021 to 31 st March, 2022	Rs. 30,000
Capital introduced during the year	Rs. 10,000

33. What are the possible reasons for keeping incomplete records ? 4
34. Bring out four advantages of a Computer system over the Manual system. 4

35. From the following Trial Balance of Kiran and Sons as on 31st March, 2022, prepare the Financial statements : 8

Trial Balance as on 31st March, 2022

Heads of Accounts	L.F.	Dr. (Rs.)	Cr. (Rs.)
Capital		-	1,50,000
Stock on 1 st April		30,000	-
Cash at Bank		10,000	-
Cash in hand		5,000	-
Machinery		1,00,000	-
Furniture		13,000	-
Purchases		2,33,000	-
Wages		50,000	-
Salaries		70,000	-
Discount Allowed		4,000	-
Discount Received		-	5,000
Advertising		50,000	-
General Expenses		40,000	-
Sales		-	5,00,000
Sundry Debtors		90,000	-
Sundry creditors		-	47,000
Input CGST A/c		10,000	-
Input SGST A/c		10,000	-
Input IGST A/c		15,000	-
Output CGST A/c		-	8,000
Output SGST A/c		-	8,000
Output IGST A/c		-	12,000
Total		7,30,000	7,30,000

Value of closing stock on 31st March, 2022 was Rs. 55,000, its Net Realisable value (Market value) is Rs. 50,000.

36. Describe the steps involved in preparing Income and Expenditure Accounts from Receipts and Payments Account. 8