

2023

ACCOUNTANCY
(Commerce)

Full Marks : 80

Time : 3 hours

The figures in the margin indicate full marks for the questions

General Instructions:

- (i) All questions are compulsory.
- (ii) Marks are shown against each questions
- (iii) This question paper is divided into two parts, Part-A and Part-B.

PART – A

1. Choose the correct answer:

1 x 8 = 8

(a) Internal users of accounting information are:

- (i) Employees
- (ii) Management
- (iii) Owners
- (iv) All of the above

(b) The balances of ledger accounts are transfered to:

- (i) Journal
- (ii) Balance Sheet
- (iii) Trial Balance
- (iv) Subsidiary Books

(c) According to which principle, all the possible losses are taken into account but not profits:

- (i) Principle of Dual Aspect
- (ii) Principle of Historical Cost
- (iii) Principle of Materiality
- (iv) Principle of Conservatism.

(d) Generally the duration of an Accounting Period is of :

- (i) 6 months
- (ii) 3 months
- (iii) 12 months
- (iv) 1 month.

(3)

- (e) Tax paid on purchases by manufacturer or seller of goods and services is known as
- (i) Output GST
 - (ii) Input GST
 - (iii) Sales Tax
 - (iv) All of the above.
- (f) A Bank Reconciliation Statement is prepared by:
- (i) Bank
 - (ii) Customers of the Bank
 - (iii) Debtors
 - (iv) Suppliers.
- (g) Sales made for cash is recorded in the cash book on the :
- (i) Credit side of cash column
 - (ii) Debit side of bank column
 - (iii) Credit side of bank column
 - (iv) Debit side of cash column.

(4)

- (h) Reserve is
- (i) an appropriation of profit
 - (ii) a charge against profit
 - (iii) a part of provision
 - (iv) none of the above.

- 2.** Give one example of Intangible asset. 1
- 3.** Name any two services which are exempted from the levy of GST. 1
- 4.** When is a credit note prepared? 1
- 5.** State one limitation of Trial balance. 1
- 6.** Define Accounting Principles. 1
- 7.** What is the fundamental or basic accounting equation? 1
- 8.** Mention any two causes of Depreciation. 1
- 9.** Give three advantages of double entry system. 3

(5)

- 10.** Bring out any three basic objectives of having accounting standards. 3
- 11.** Briefly explain any three qualitative characteristics of accounting information. 3
- 12.** Journalise the following transactions of M/s Shillong Agency: 4
- | 2021 | ₹ |
|----------|--|
| April 1 | Started Business with cash 50,000 |
| April 16 | Sold goods to Anil ₹ 4,000 plus CGST and SGST @ 6% each. |
| April 30 | Paid wages for the month 1,000 |
- 13.** Show the accounting equation on the basis of the following transactions: 4
- (i) Sam started business with cash ₹ 50,000.
 - (ii) Sam purchased furniture for cash ₹ 5,000.
 - (iii) He purchased goods for cash ₹ 30,000.
 - (iv) Good costing ₹ 25,000 were sold on credit ₹ 35,000.
- 14.** Distinguish between source documents and vouchers. (any four points of differences) 4

(6)

- 15.** Prepare double column Cash Book from the following information : 6
- | | | |
|---------|--|---------|
| April 1 | : Cash is hand | ₹ 2,800 |
| April 1 | : Cash at bank | ₹ 7,000 |
| June 5 | : Cash sales ₹ 6,000 plus CGST and SGST @ 6% each. | |
| June 18 | : Paid into the bank | ₹ 3,000 |
| June 30 | : Withdrew from Bank for Personal use | ₹ 1,500 |
| June 30 | : Paid rent ₹ 700 plus CGST and SGST @ 6 % each. | |
- 16.** From the following information prepare a Bank Reconciliation statement as on 31st March 2022. 6
- (i) Debit balance as per cash book ₹ 12000
 - (ii) Cheques issued but not presented for payment ₹ 3000.
 - (iii) Cheques deposited but not credited into account ₹ 1800.
 - (iv) Bank interest credited ₹ 180.
 - (v) Bank charges debited ₹ 60.
 - (vi) Direct deposit by customer in bank ₹ 1400.

(7)

17. ABC Ltd purchased a machinery on 1st April 2018 for ₹ 3,50,000. It purchased another machinery on 1st July 2019 for ₹ 1,50,000 and another machinery was purchased for ₹ 1,00,000 on 1st January 2021. Depreciation is provided @ 10% p.a. on straight line method. On 1st October 2021 the first machine which was purchased on 1st April 2018 was sold for ₹ 2,00,000.

Prepare machinery account for 4 years assuming books of accounts are closed on 31st of March every year.

8

PART – B

18. Returns outward is deducted from :

1

- (i) Sales
- (ii) Capital
- (iii) Net Profit
- (iv) Purchases

19. Outstanding expenses are :

1

- (i) Liabilities
- (ii) Assets
- (iii) Revenue
- (iv) Drawing

(8)

20. Give the formula to calculate cost of good sold. 1

21. What are bad debts? 1

22. Calculate Gross profit when : 4

Total purchase during the year – ₹ 4,00,000

Returns outwards – ₹ 10,000

Direct expenses – ₹ 30,000

$\frac{2}{3}$ of the goods are sold for – ₹ 3,05,000

23. What is Profit and Loss account? How does it differ from Trading account? 4

24. Bring out the differences between Capital expenditure and Revenue expenditure. 4

(9)

25. From the following Trial Balance as on 31st March 2022. Prepare Trading and Profit and Loss account and Balance Sheet as at that date.

8

| Particulars | Debit ₹ | Credit ₹ |
|--------------------------|---------------|---------------|
| Opening Stock | 2,500 | – |
| Purchases and Sales | 20,000 | 50,000 |
| Returns | 2,500 | 1,000 |
| Buildings | 10,000 | |
| Wages | 2,500 | – |
| Debtors and Creditors | 5,000 | 2,500 |
| Interest | – | 500 |
| Salaries | 5,000 | – |
| Machinery | 15,000 | – |
| Carriage inward | 1,000 | – |
| Carriage outward | 2,500 | – |
| Rent, Rates and Taxes | 5,000 | – |
| Capital | – | 24,500 |
| Drawings | 1,000 | |
| Office Expenses | 1,000 | |
| Office Cleaning Expenses | 500 | |
| Investment @ 20% p.a. | 5,000 | |
| | 78,500 | 78,500 |

(10)

Additional Information :

- (i) Stock in hand on 31st March 2022 ₹ 5000
- (ii) Salaries ₹ 500 and wages ₹ 500 were unpaid
- (iii) ₹ 25 included in Office Cleaning Expenses are prepaid.
- (iv) Interest on Investment for last six months was accrued but not received.

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