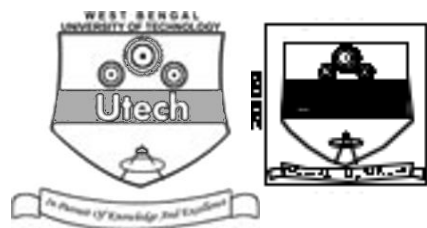


# BASIC ACCOUNTING ( SEMESTER - 2 )

**CS / BTTM / SEM-2 / TTM-206 / 09**



1. ....  
Signature of Invigilator

2. ....  
Signature of the Officer-in-Charge

Reg. No.

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Roll No. of the Candidate

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**CS/BTTM/SEM-2/TTM-206/09**  
**ENGINEERING & MANAGEMENT EXAMINATIONS, JUNE – 2009**  
**BASIC ACCOUNTING ( SEMESTER - 2 )**

Time : 3 Hours ]

[ Full Marks : 70

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**INSTRUCTIONS TO THE CANDIDATES :**

- This Booklet is a Question-cum-Answer Booklet. The Booklet consists of **32 pages**. The questions of this concerned subject commence from Page No. 3.
- In **Group – A**, Questions are of Multiple Choice type. You have to write the correct choice in the box provided **against each question**.
  - For **Groups – B & C** you have to answer the questions in the space provided marked 'Answer Sheet'. Questions of **Group – B** are Short answer type. Questions of **Group – C** are Long answer type. Write on both sides of the paper.
- Fill in your Roll No. in the box** provided as in your Admit Card before answering the questions.
- Read the instructions given inside carefully before answering.
- You should not forget to write the corresponding question numbers while answering.
- Do not write your name or put any special mark in the booklet that may disclose your identity, which will render you liable to disqualification. Any candidate found copying will be subject to Disciplinary Action under the relevant rules.
- Use of Mobile Phone and Programmable Calculator is totally prohibited in the examination hall.**
- You should return the booklet to the invigilator at the end of the examination and should not take any page of this booklet with you outside the examination hall, **which will lead to disqualification**.
- Rough work, if necessary is to be done in this booklet only and cross it through.

**No additional sheets are to be used and no loose paper will be provided**

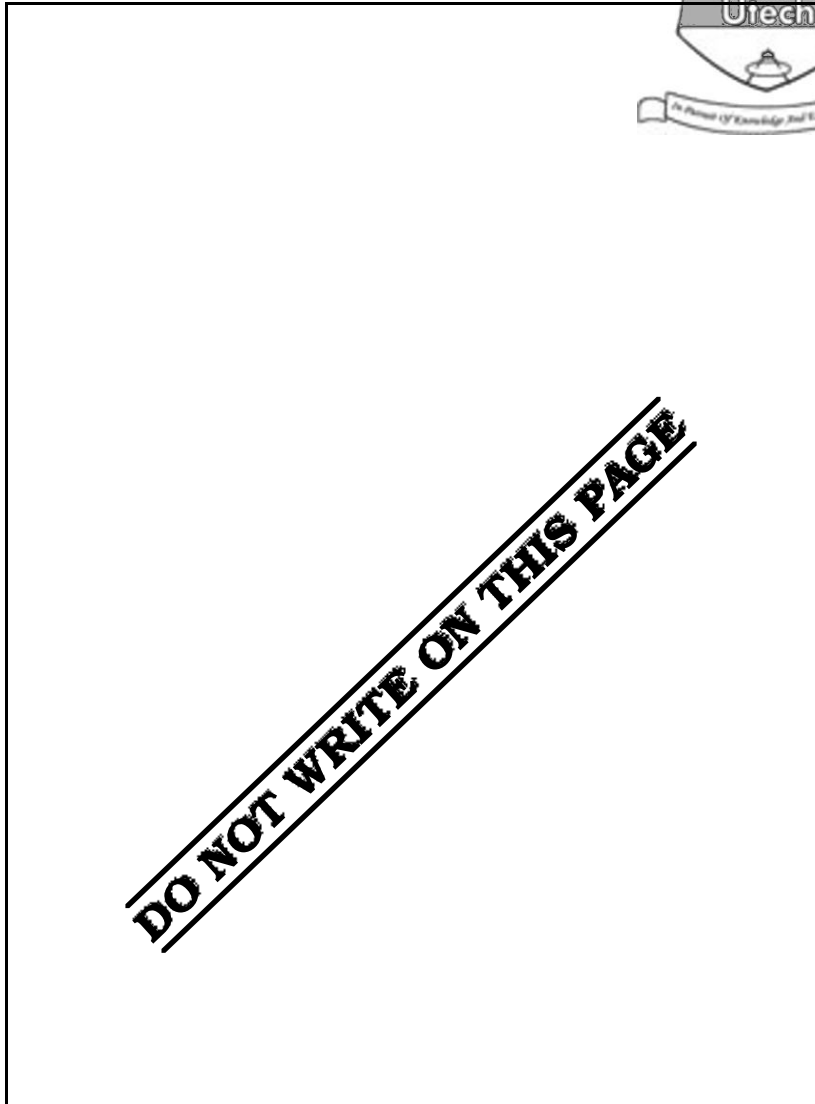
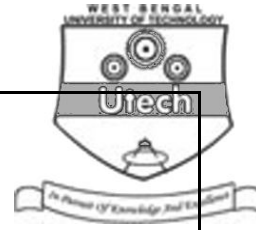
**FOR OFFICE USE / EVALUATION ONLY**

Marks Obtained

Question Number	Group – A				Group – B				Group – C				Total Marks	Examiner's Signature
Marks Obtained														

.....  
**Head-Examiner/Co-Ordinator/Scrutineer**

**2406 ( 15/06 )**



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ENGINEERING & MANAGEMENT EXAMINATIONS, JUNE - 2009

**BASIC ACCOUNTING**  
**SEMESTER - 2**



Time : 3 Hours ]

[ Full Marks : 70

**GROUP - A**

**( Multiple Choice Type Questions )**

1. Choose the correct alternatives for any *ten* of the following : 10 ∞ 1 = 10

i) A triple column cash book contains ..... superimposed accounts.

- a) three
- b) two
- c) one only
- d) four.

ii) GAAP stands for

- a) Government Accounts and Administrative Principles
- b) Generally Accepted Accounting Principles
- c) Government Approved Audit Procedures
- d) Global Accounting and Audit Procedures.

iii) Which of the following is not a current asset ?

- a) Cash in hand
- b) Prepaid expenses
- c) Short term investment
- d) Furniture and fixture.

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iv) Closing stock which is shown in the adjustment after trial balance should be taken to

- a) Credit side of Trading account
- b) Profit and loss account
- c) Assets side of Balance sheet
- d) both (a) and (c).




v) Petty cash book is maintained for recording

- a) cash expenses
- b) credit expenses
- c) petty expenses
- d) personal expenses.

vi) Two sides of every transaction are considered under

- a) entity concept
- b) dual concept
- c) cost concept
- d) going concern concept.

vii) Good will a/c is a

- a) Real a/c
- b) Nominal a/c
- c) Personal a/c
- d) None of these.

viii) Debt instruments are shown in the

- a) Profit and loss a/c
- b) Balance sheet
- c) Cash flow statement
- d) Chart of shipping accounts.

ix) Current Ratio refers to

- a)  $\frac{\text{Fixed Assets}}{\text{Total Assets}}$
- b)  $\frac{\text{Current Assets}}{\text{Total Assets}}$
- c)  $\frac{\text{Current Assets}}{\text{Current Liabilities}}$
- d) None of these.



- x) Which of the following statements is not an objective of accounting ?
  - a) To keep a systematic record of financial transaction
  - b) To ascertain the profits earned or losses incurred by the business unit, during a particular accounting period
  - c) To exercise control over personal assets and liabilities of the owner of the business unit
  - d) To check the inflows and outflows of cash.
  
- xi) Carriage and freight inwards are part of
  - a) prime cost
  - b) factory expenses
  - c) office and administration expenses
  - d) selling and distribution expenses.
  
- xii) Short-term investment is
 

a) current assets	b) fixed assets	
c) current liabilities	d) none of these.	<input style="float: right;" type="checkbox"/>

**GROUP – B**

**( Short Answer Type Questions )**

Answer any *three* of the following.

3 ∞ 5 = 15

2. Elucidate the importance of the cash flow statement.
3. State with examples three errors not detected by the trial balance.
4. What do you mean by overhead ? How are the overheads classified ?
5. State the importance of the “doctrine of conservatism”.
6. Write a brief note on semi-variable costs.



## GROUP – C

( Long Answer Type Questions )

Answer any *three* of the following.

3 ∞ 15 = 45

7. a) Distinguish between trade discount and cash discount.
- b) Prepare a double column cash book in the books of M/s Camellia Book Stores :

2009		Rs.
April 1	Cash in hand	4,000
	Cash at bank	12,000
April 4	Purchased books through cheque from M/s Tata-McGraw Hill	2,000
April 6	Received a cheque from Calcutta Girls High School and immediately deposited into bank	15,300
April 13	Rent paid	1,500
April 16	Commission received from M/s Mona	3,000
April 18	Salary paid to office staff	3,000
April 22	Withdrew from bank for office use	2,500
April 25	Paid to CRY, an organization dedicated to charity	700
April 28	Goods sold to Ramakrishna Mission	1,000
April 30	Paid into bank	500

8. What do you mean by depreciation ? What are the causes of depreciation of assets ? State the different accounting methods for the calculation of depreciation. 4 + 6 + 5

9. Write short notes on any *three* of the following : 3 ∞ 5

- Break-even point
- Selling and distribution overhead
- Accounting standard
- Inventory valuation
- Prepaid insurance premium.



10. The following Trial Balance of Sri Saraswati Traders was wrongly prepared. You are to draw a correct Trial Balance stating reasons :

15

<b>Ledger Accounts</b>	<b>Debit ( Rs. )</b>	<b>Credit ( Rs. )</b>
Capital	—	5,00,000
Purchases	14,00,000	—
Bills payable	—	3,00,000
Wages	15,000	—
Carriage outward	—	15,000
Sales	—	16,00,000
Advertisement	12,500	—
Closing stock	—	11,70,000
Bills receivable	6,00,000	—
Debtors	—	6,50,000
Creditors	13,50,000	—
Bank balance	3,10,000	—
General expenses	3,000	—
Bad debt	2,000	—
Building	2,25,000	—
Income tax	—	1,00,000
Loan taken	—	50,000
Interest on loan taken	—	7,500
Sales return	—	3,000
Carriage inward	25,000	—
Rent from subletting	3,000	—
	<b>43,95,500</b>	<b>43,95,500</b>



11. The following figures of sales and profits for two periods are available in respect of an enterprise :

<b>Period</b>	<b>Sales ( Rs. )</b>	<b>Profit ( Rs. )</b>
I	1,00,000	15,000
II	1,20,000	23,000

You are required to find out the following :

15

- P/V ratio
- Fixed cost
- Break-even point
- Profit at an estimated sales of Rs. 1,25,000.
- Sales required earning a profit of Rs. 20,000.

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END