



Name :
Roll No. :
Invigilator's Signature :

CS/BTTM/SEM-2/TTM-206/2013

2013

BASIC ACCOUNTING

Time Allotted : 3 Hours

Full Marks : 70

The figures in the margin indicate full marks.

*Candidates are required to give their answers in their own words
as far as practicable.*

GROUP - A

(Multiple Choice Type Questions)

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

10 × 1 = 10

- i) Find out the correct accounting equation :
 - a) Assets + Liabilities = Capital
 - b) Capital + Assets = Liabilities
 - c) Assets – Liabilities = Capital.
 - d) Assets – Capital = Current Liability.
- ii) The nature of Capital is
 - a) An asset
 - b) A liability
 - c) An income
 - d) An expense.
- iii) Each and every transaction has
 - a) One side
 - b) Two side
 - c) Three side
 - d) No side.



- iv) Suspense Account appears in
 - a) Cash Book
 - b) P/L Account
 - c) Balance Sheet
 - d) Trial Balance.
- v) Drawings are actually
 - a) Reduction of capital
 - b) reduction of expense
 - c) increase of capital
 - d) None of these.
- vi) Prime cost is the sum total of
 - a) Direct material, Direct labour and Direct expenses
 - b) Direct material, indirect labour
 - c) Indirect Material, Indirect labour and direct expenses.
 - d) Sum total of Overheads.
- vii) Depreciation is charged on
 - a) Wasting assets
 - b) Fixed Assets
 - c) Inventories
 - d) Current assets.
- viii) Ledger is the book of
 - a) Secondary entry
 - b) Final entry
 - c) Primary entry
 - d) No entry.
- ix) Petty cash book is maintained for recording
 - a) Cash expenses
 - b) Personal expenses
 - c) petty Expenses
 - d) Cash Sales.



- x) GAAP stands for
- a) Global Accounting and Audit Procedure
 - b) Generally Accepted Accounting Principles
 - c) Government Approved Audit Procedures
 - d) None of these.
- xi) Which of the following is not an intangible asset
- a) Copyright
 - b) Trade mark
 - c) Prepaid Rent
 - d) Goodwill.
- xii) Purchase Day book is maintained to record
- a) Cash purchase of goods
 - b) cash sales of goods
 - c) Cash transactions
 - d) None of these.

GROUP – B

(Short Answer Type Questions)

Answer any *three* of the following. $3 \times 5 = 15$

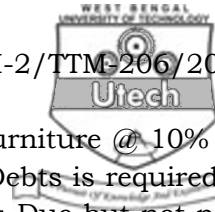
2. How normal and abnormal losses are treated in process costing ?
3. Distinguish between cost centre and cost unit ?
4. What do you mean by depreciation ? Is it a source of fund ?
5. With some examples state the meaning of semi variable costs in the tourism industry.
6. What do you mean by “brand” ? Can the brand value of Taj Group of Hotels be calculated ?

**GROUP - C****(Long Answer Type Questions)**

Answer any *three* of the following. $3 \times 15 = 45$

7. From the following Trial Balance of Bengal Ambuja Ltd prepare Trading A/c, P/L A/C and balance sheet for the year ended 31st March 2013.

Particulars	Dr. (Rs)	Cr. (Rs.)
Capital		100000
Furniture	20000	
Purchase	150000	
Debtors	200000	
Interest Earned		4000
Salaries	30000	
Sales		321000
Purchase Returns		5000
Wages	20000	
Rent	15000	
Sales Return	10000	
Bad Debt Written Off	7000	
Creditors		120000
Drawings	24000	
Provision For bad debt		6000
Printing & Stationery	8000	
Insurance	12000	
Opening Stock	50000	
Office Expenses	12000	
Provision for depreciation		2000
Total	558000	558000



Additional Information :- (i) Depreciate Furniture @ 10% on Original cost (ii) A provision for doubtful Debts is required to be Created @ 5% On Debtors. (iii) Salaries Due but not paid Rs. 3000 whereas paid in advance Rs. 2000 (iv) Insurance amounting to Rs. 2000 is prepaid (v) Provide outstanding office expenses Rs. 8000 (vi) Stock used for private purpose Rs. 6000. (vii) Closing Stock Rs. 60000.

8. "Accounting is a part of Management Information System of a business" – Do you agree with the statement ? From the Balance sheet and profit and loss account of an International Airline, what are the informations one may get about the company ?
9. Journalize the following transactions and post them into ledger account and balance them in the book of "Azam Cycles Ltd" :

2013

March 01 Started business with cash Rs. 15000.

March 04 Purchased goods for cash Rs. 10000.

March 08 Purchase goods from ABC Ltd Rs. 12000.

March 11 Goods returned to ABC Ltd Rs. 2000.

March 13 Salary Paid Rs. 20000.

March 15 Purchased furniture in cash Rs. 60000

March 18 Sold goods to XYZ Ltd Rs. 15000.

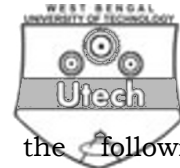
March 20 Goods Returned by XYZ Ltd Rs. 5000

March 22 Cash deposited into SBI Rs. 10000.

March 25 Cash paid to ABC Ltd Rs. 9000 in full settlement.

March 26 withdrawn cash for personal use Rs. 2000

March 31 Cash received from XYZ Ltd Rs. 10000.



10. Modern Tours and Travels furnished the following information for the year ended 31st December, 2013. Prepare a cost sheet.

Particulars	Amount (Rs)
Stock of materials on 1 st January, 2013	60,000
Materials Purchased during the year	2,60,000
Productive Wages	1,70,000
Bad debt written off	9,000
Traveller's salary and commission	10,500
Depreciation on office furniture	500
Rent, rates, taxes and insurance (factory)	12,000
Director's Fees	8,500
General expenses	5,000
Gas and water (factory)	2,000
Travelling Expenses	3,000
Sales	7,00,000
Manager's Salary (2/3 for factory, 1/3 for office)	15,000
Depreciation on Plant and Machinery	18,000
Cash Discount allowed	4,000
Repairs to plant and machinery	6,000
Carriage and cartage outward	6,500
Direct Expenses	10,000
Rent, rates and insurance (office)	3,000
Gas and water (office)	1,000
Stock of Materials as on 31 st December, 2013	90,000



11. Write short notes on any *three* of the following : 3 × 5
- a) Money Measurement concept
 - b) Bank Reconciliation Statement
 - c) Process costing
 - d) Break even point
 - e) Works cost.
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