



Name :

Roll No. :

Invigilator's Signature :

CS/HM/SEM-1/BHM-104/2011-12

2011

ACCOUNTS

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) Balance Sheet is a

a) Statement

b) Account

c) Journal

d) Ledger.

ii) Heavy expenditure on advertisement to launch a new product in the market is

a) Capital Expenditure

b) Revenue Expenditure

c) Deferred Revenue Expenditure

d) None of these.

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- iii) Which of the following is intangible asset ?
- a) Plant & Machinery
 - b) Debtors
 - c) Investments
 - d) Copyright.
- iv) Which of the following basis would you prefer to apportion "Depreciation" of a Production Department ?
- a) Light points
 - b) Floor Area
 - c) Number of Employees
 - d) Asset Value.
- v) Closing Stock in Trial Balance implies that
- a) it is already adjusted with the Opening Stock
 - b) it is already adjusted with the Purchases
 - c) it is already adjusted with the Sales
 - d) it is already adjusted with the Capital.
- vi) Accounting does not record non-financial transactions because of
- a) Cost concept
 - b) Materiality concept
 - c) Money measurement concept
 - d) None of these.



- vii) Balance Sheet shows the
- a) Balance of all accounts
 - b) Financial position of the business
 - c) Net profit earned during the year
 - d) None of these.
- viii) Which of the following equations properly represents a derivation of the fundamental accounting equation ?
- a) $\text{Assets} + \text{liabilities} = \text{owner's equity}$
 - b) $\text{Assets} = \text{owner's equity}$
 - c) $\text{Cash} = \text{assets}$
 - d) $\text{Assets} - \text{liabilities} = \text{owner's equity}$.
- ix) A summary statement of all transactions related to a person, asset, expense or income is
- a) Journal
 - b) Ledger
 - c) Trial balance
 - d) None of these.
- x) Machinery A/c is
- a) Personal A/c
 - b) Real A/c
 - c) Nominal A/c
 - d) Expense.

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xi) Which of the following comes under the credit column of Trial Balance ?

- a) Carriage inward b) Carriage outward
c) Sales returns d) Purchase returns.

xii) Which of the following is not an intangible asset ?

- a) Goodwill b) Debtors
c) Patent d) Copyright.

GROUP – B

(Short Answer Type Questions)

Answer any *three* of the following. 3 × 5 = 15

2. What is Transaction ? Distinguish between Event and Transaction.
3. Is it compulsory to prepare the Trial Balance ? Which types of errors are not disclosed in the Trial Balance ?
4. What are the differences between Profit & Loss A/c and Balance Sheet ?
5. From the following data ascertain total earning of each worker separately and also calculate effectively hourly rate of wages :

	Sachin	Sourav
Actual time taken (Hours)	12	18
Time allowed (Hours)	20	30
Rate of wages per hour (Rs.)	3	5
Incentive scheme	Halsey	Rowan



6. A manufacturer buys certain equipment from outside suppliers @Rs.30 per unit. Annual needs are 800 units. The following further data are available :

- i) Annual return on investment 10%
- ii) Rent, insurance, taxes etc., per unit per annum Re.1
- iii) Cost of placing an order Rs. 100

Determine the EOQ.

GROUP – C

(Long Answer Type Questions)

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

7. a) Journalise the above transactions for the month of April, 2011 and prepare Ledger Accounts and ascertain the balance in the books of Mr. Raina :

Date	Transactions	Rs.
4	Started Business with Cash	2,00,000
6	Purchased goods on credit from Mr. Koholi	85,000
9	Sold goods for cash	75,000
12	Cash deposited into bank	1,00,000
16	Purchased machinery by cheque	25,000
19	Sold goods on credit to Mr. Yubaraj	45,000
20	Goods return to Mr. Koholi	5,000
21	Paid to Mr. Koholi by cheque	80,000
26	Paid L.I.C. premium of Mr. Raina	3,000
30	Paid Salary to Staff	12,000

b) State the importance of Inventory/Stores Ledger in managing a super speciality hospital. $8 + 7$

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8. a) Prepare a Stores Ledger Account from the following particulars under FIFO method during the month of July, 2010 :

Date	Transactions
01	Opening stock 1,000 units @ Rs.12 each.
04	Received 600 units @ Rs. 13 each
06	Issued 1,300 units
09	Received 800 units @ Rs. 14 each
12	Issued 900 units
16	Received 500 units @ Rs.11 each
19	Issued 600 units
24	Stock shortage 20 units.

- b) How does the central accounting function of a hospital integrate the accounting documents generated at the OPD, Pathological laboratory, Pharmacy and Service departments ? 8 + 7

9. The Trial Balance of KKHH Ltd. prepared on 31st March, 2011 is given below. On the basis of this Trial Balance and other information given, you are required to prepare the



Trading and Profit & Loss A/c for the year ended

31st March, 2011 and a Balance Sheet as on that date :

Particulars	Debit (Rs.)	Particulars	Credit (Rs.)
Cash in hand	5,700	Miscellaneous receipts	1,500
Cash at bank	30,000	Bills payable	19,500
Telephone Charges	1,680	Sales	10,50,000
Bills Receivable	37,500	Creditors	45,000
Opening stock	1,50,000	Discount	1,800
Machinery	2,55,000	Purchase returns	5,850
Purchases	5,25,000	Capital	2,70,000
Office Rent	16,500		
Salary	33,000		
Sales returns	3,600		
Discount	1,050		
Debtors	75,000		
Carriage inward	7,050		
Furniture	19,500		
Land and Building	2,20,000		
Carriage outward	10,070		
Fire insurance premium	3,000		
	13,93,650		13,93,650

Other information :

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- i) Closing stock on 31st March, 2011 valued at Rs. 2,30,00.
 - ii) On 31st March, 2011, outstanding Office rent was Rs. 1,200 and salary paid in advance amounted to Rs. 1,000.
 - iii) Create a provision for bad debts @5% on Debtors.
 - iv) Depreciate Machinery @10% per annum and Furniture @ 20% per annum. 4 + 6 + 5
10. If you are entrusted with the duty of analyzing a hospital's financial strengths and performance, what are the particular issues will you consider from the Balance Sheet and the Profit and Loss account ?
11. Write short notes on any *three* of the following : 3 × 5
- a) Basic Accounting equation
 - b) Conservatism Concept
 - c) Concept of Duality in Accounting
 - d) Ledger
 - e) Cash Book.
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