

2010

Time : 3 hours

Full Marks : 80

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

The figures in the margin indicate full marks.

Answer from both the Groups as directed.

Group – A

(Objective Type Questions)

Answer all questions.

1. Choose the correct answer of the following :

2×10 = 20

(a) Credit sale create :

- (i) Trade Debtors
- (ii) Trade Creditors
- (iii) Supplier
- (iv) Agent

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(Turn over)

(b) To choose "Rent Received Account" at the end of the year what closing entry is drawn in journal proper ?

- (i) Rent Received A/c Dr
- (ii) P/L A/c
- (iii) Rent Received A/c Dr to Total Dr A/c
- (iv) Trading A/c Dr to Rent Received A/c

(c) Two methods of preparing Trial Balance are :

- (i) Journalising and Ledger
- (ii) Total method and Balance method
- (iii) Debit method and Credit method
- (iv) Horizontal method and Vertical method

(d) Outstanding wages on 31. 12. 2006 and 31. 12. 2007 are Rs. 5,600 and Rs. 7,500 respectively. The actual wages paid during the year amounted to Rs. 74,000, what is the amount of wages for the year 2007 ?

- (i) Rs. 80,000
- (ii) Rs. 78,000
- (iii) Rs. 75,900
- (iv) Rs. 75,000

(e) Debit and credit balance of journal balance should match :

- (i) Always
- (ii) Sometimes
- (iii) Both (i) and (ii)
- (iv) None of these

(f) Formal record of a particular type of transaction is known as :

- (i) Ledger
- (ii) Account
- (iii) Post
- (iv) Balancing

(g) Building purchased is the expenditure of :

- (i) Capital nature
- (ii) Revenue nature
- (iii) Deferred Revenue nature
- (iv) None of these

(h) 10% Debenture is :

- (i) General liability
- (ii) Fixed liability

(iii) Total liability

(iv) None of these

(i) Which of the following equation is correct ?

(i) Fixed assets + Current assets = Current liability + Loan term liability + Proprietary fund

(ii) Fixed assets + Current assets = Capital employed

(iii) Proprietor's fund + Current liability = Fixed assets

(iv) None of these

(j) Depreciation means :

(i) Hide and seek

(ii) Wear and tear

(iii) To and fro

(iv) None of these

Group – B

(Long-answer Type Questions)

Answer any four questions : $15 \times 4 = 60$

2. What do you mean by Final Accounts ? Explain the importance and purpose of it.

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(4)

Contd.

3. What is the limitation of financial statements ?
Discuss briefly.

4. Calculate Gross Profit from the following information :

	Rs.
Capital as on 01. 01. 2008	15,500
Drawing made during the year	4,000
Fresh capital introduced during the year	10,000
Purchased a cycle for Proprietor	50
Capital as in 31. 12. 2008	22,500

5. Distinguish between Trade Discount and Cash Discount.

6. Write notes on the following :

- (a) Element of cost
- (b) Variance Analysis

7. The Standard Cost Card reveals the following information :

- (a) Quantity of linseed required to produce 1 kg of oil — 4kg.
- (b) Price of linseed per kg — Rs 200.

Actual production data are as follows :

- (i) production during the month — 100 kg.

(ii) Quantity of linseed used — 500 per kg.

(iii) Price of linseed — Rs. 2 per kg.

Calculate (1) Material Cost Variance, (2) Material Price Variance and (3) Material Quantity Variance.

8. Prepare Fund Flow Statement from the following Balance Sheet :

Balance Sheet

Liabilities	1995	1996	Assets	1995	1996
	Rs.	Rs.		Rs.	Rs.
Share Capital	1,000	12,000	Plant	10,000	4,800
Revenue	8,000	3,000	Building	2,000	4,000
P/LA/c	2,000	5,000	Debtors	5,000	10,000
6% Debentures	9,000	5,000	B/R	2,000	3,000
Creditors	3,000	1,000	Stock	1,000	6,000
Bank Overdraft	4,000	6,000	Cash	7,000	4,200
	27,000	32,000		27,000	32,000

9. Discuss the different elements of cost and explain the components of total cost.

10. Calculate from the following data :

- (a) P/V ratio.
- (b) Profit when sales are Rs. 10,000.
- (c) New Break-event Point if selling price is reduced by 10%.
- (d) Sales in Rs. To earn profit of Rs. 4,000 after reducing selling price by 20% :

Fixed expenditure Rs. 2,000

BEP Rs. 9,000

