

**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 :

$$10 \times 1 = 10$$

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.

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.

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.  $3 \times 5 = 15$

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.  $8 + 7$

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

13,93,65

0

13,93,65

0

*Other information :*

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 :  $3 \times 5$

- a) Basic Accounting equation
- b) Conservatism Concept
- c) Concept of Duality in Accounting
- d) Ledger
- e) Cash Book.