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Total No. of Pages : 02

Total No. of Questions : 09

BHMCT (Sem.-2)
ACCOUNTS – II
Subject Code : BH-106
M.Code : 14518

Time : 3 Hrs.

Max. Marks : 30

INSTRUCTIONS TO CANDIDATES :

1. **SECTION-A** is **COMPULSORY** consisting of **TEN** questions carrying **ONE** mark each.
2. **SECTION-B** contains **FIVE** questions carrying **2½** (Two and Half) marks each and students have to attempt any **FOUR** questions.
3. **SECTION-C** contains **THREE** questions carrying **FIVE** marks each and students have to attempt any **TWO** questions.

SECTION-A

1. Fill in the Blanks with an appropriate word/True/False :

- a) The closing balance of Machinery account will be shown on side of Trial Balance.
- b) Bad debts are adjusted by from the Sundry Debtors account in the Balance sheet at year end.
- c) expenses are shown on the asset side of the Balance sheet at the end of the year.
- d) Depreciation is the reduction in the value of a asset and is treated as a of the business.
- e) Payment of Life insurance premium of the proprietor by the business is treated as in the business.
- f) All expenses are shown on the credit side of the Trading account.
- g) Balance Sheet is made in an account form.
- h) Drawings account is added to Capital account in the Balance Sheet.
- i) Assets are things of value owned by an equity.
- j) Preliminary expenses are treated as Deferred Revenue expenditure of the business.

SECTION-B

2. How and Why are Final accounts prepared?
3. Explain Direct and Indirect expenses and there treatment while preparing final accounts.
4. Differentiate between Revenue Expenditure and Capital expenditure, clearly bringing out there treatment while preparing Final accounts.
5. Distinguish between Trial Balance and Balance Sheet.
6. Define the following terms :
Asset, Liability, Expenses, and Incomes.

SECTION-C

7. What is Bank Reconciliation Statement? State the reasons of disagreement between the cash book bank balance and the pass book bank balance.
8. Is trial balance a conclusive proof of the accuracy of the books of accounts? What are the errors not disclosed by the trial balance.
9. On 31st March 2017, the following trial balance was extracted from the books of M/s Ruperder& Sons. Prepare the Income Statement and Balance Sheet.

Debit Balance	Amount	Credit Balance	Amount
Opening Stock	20,000/-	Sales	500,000/-
Purchases	70,000/-	Purchases Returns	10,000/-
Sales Return	2000/-	Discount Received	3000/-
Carriage Inward	1000/-	Interest Received	7000/-
Freight	5000/-	Capital	200,000/-
Wages and Salaries	25000/-	Creditors	30,000/-
Advertisement	20,000/-	Bills Payable	20,000/-
Printing and Stationery	10000/-		
Rent	67000/-		
Power and Fuel	20,000/-		
Plant and Machinery	380,000/-		
Furniture and Fixtures	50,000/-		
Debtors	75000/-		
Cash	25000/-		
	770,000/-		770,000/-

Adjustments :

- a. Closing Stock Rs 25000.
- b. Rent prepaid amounted to Rs 5000.
- c. Depreciate Plant and Machinery @ 5 %

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.