



‘समानो मन्त्रः समितिः समानी’

UNIVERSITY OF NORTH BENGAL
B.Voc. Programme 5th Semester Examination, 2022

GE1-RETAIL MANAGEMENT (5.3A)

FINANCIAL ACCOUNTING

Time Allotted: 2 Hours

Full Marks: 60

The figures in the margin indicate full marks.

GROUP-A

1. Answer any **four** questions from the following: 3×4 = 12
- What are the main objectives of accounting?
 - Explain the Golden Rules of Accounting.
 - What are the causes of Depreciation?
 - Narrate the importance of the ‘Partnership Deed’.
 - What do you understand by the term ‘Del Credere Commission’?
 - What is the difference between ‘Sacrificing Ratio’ and ‘Gaining Ratio’?

GROUP-B

2. Answer any **four** questions from the following: 6×4 = 24
- Explain the difference between ‘Consignment’ and ‘Joint Venture’.
 - State the differences between a Profit and Loss a/c and a Balance Sheet.
 - Calculate the Current Ratio and Quick Ratio from the following information:

Current Liabilities	Amount (Rs.)	Current Assets	Amount (Rs.)
Creditors	30,000	Cash & Bank	5,000
Bills Payable	16,000	Debtors	29,000
Outstanding Expenses	8,000	Bills Receivable	5,000
		Marketable Securities	15,000
		Stock	52,000
		Prepaid Expenses	2,000

- Distinguish between Accounting Standard (AS) and Generally Accounting Accepted Principles (GAAP).
- What is Hire Purchase System? Explain the difference between Complete Repossession and Partial Repossession.
- Write a short note on ‘Garner Versus Murray Rules and Dissolution of Partnership’.

GROUP-C

3. Answer any **two** questions from the following: 12×2 = 24
- Explain six ‘**Concepts**’ and ‘**Conventions**’ of Accounting with the help of examples. 12
 - Plant was purchased for Rs. 40,000 on 1st January, 1996. On 1st April, 1997, another Plant was purchased for Rs. 30,000. On 30th June, 1998, a third Plant was purchased for Rs. 20,000 by selling of the first plant for Rs. 21,000.

Show the Plant Account for 3 years up to 31st December, 1998 assuming the depreciation @ 10% pa under the Diminishing Balance Method and the books are closed on 31st December every year.

- (c) Usha and Asha are partners sharing profits in the ratio 3 : 2. Their Balance Sheet as on 31st March, 2015 was as follows:

Liabilities	Amount	Assets	Amount
Creditors	27,000	Cash	24,000
General Reserve	18,000	Debtors:	48,000
Bills Payable	5,000	Less: Prov. for Doubtful Debt:	(4,800)
Capital A/c:		Stock	30,000
Usha	40,000	Patent	7,400
Asha	35,000	Building	20,400
	1,25,000		1,25,000

Neelam is admitted into the Partnership giving her one-fifth share in the Profits. Neelam is to bring in Rs. 30,000 as her share or Goodwill in Cash subject to the following terms:

- Goodwill of the firm to be valued at Rs. 50,000.
- Stock is to be reduced by 10% and Provision for Doubtful Debts is to be reduced by Rs. 2,400.
- Patents are Valueless.
- There was a claim against the firm for damages amounting to Rs. 2,000. The claim has now been accepted.

Prepare Revaluation A/C, Partners Capital Accounts and Balance Sheet.

- (d) From the following Trial Balance of Ms. Arvind Mills, prepare Trading a/c, Profit and Loss a/c for the year 2021 and Balance Sheet as on 31st December, 2021.

Trial Balance		
Particulars	Debit	Credit
Land	1,00,000	
Building	2,00,000	
Sales Return	10,000	
Purchase Return		5,000
Bank Overdraft		15,000
Creditor		20,000
Wages	12,000	
General Expenses	5,000	
Bad Debts	1,000	
Capital		2,81,000
Sales		3,00,000
Purchases	1,75,000	
Opening Stock	25,000	
Debtor	50,000	
Cash in Hand	5,000	
Goodwill	10,000	
Salaries	15,000	
Selling Expenses	12,000	
Insurance	1,000	
	6,21,000	6,21,000

Adjustments:

- Closing Stock is Rs. 30,000.
- Depreciation on Building @ 10% pa.
- Write off further Bad Debt Rs. 1,000.
- Salaries Outstanding is Rs. 3,000.

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