

S.A.S. PART- II EXAMINATION, 2025

Advanced Accountancy (Without Books)

Time Allowed: 3 Hours

Maximum Marks: 150

PART – A (Practical)

(Attempt all questions)

Question 1:

Following is the Trial Balance of Trehan limited as on 31.3.2025.

Particulars	Debit ₹	Particulars	Credit ₹
Land and Building at cost	8,00,000	Equity share capital (shares of ₹10 each)	5,00,000
Calls in arrears (equity shares)	5,000	10% Debentures	3,00,000
Inventories (31-3-2025)	96,000	General reserve	1,50,000
Plant & Machinery (at cost)	8,24,000	Profit & Loss A/c (Balance as on 1.4.2024)	75,000
Trade receivables	1,20,000	Securities premium	40,000
Cash in hand	2,000	Sales	12,00,000
Cash at Bank	28,000	Trade payables	30,000
Adjusted Purchases	4,00,000	Provision for depreciation	1,50,000
Factory expenses	80,000	Suspense Account	10,000
Administrative expenses	45,000		
Selling expenses	25,000		
Debenture Interest	30,000		
	24,55,000		24,55,000

Additional Information:

- The company revalued the Land and Building at ₹ 9,60,000.
- The authorized share capital of the company is 80,000 shares of ₹ 10 each.

- Equity share capital includes shares of ₹ 50,000 issued for consideration other than cash.
- Suspense account of ₹ 10,000 represents cash received from the sale of some of the machinery on 1.4.2024. The cost of the machinery was ₹ 24,000 with accumulated depreciation of ₹ 20,000. The adjustments towards sale of machinery have not been given effect in the balance of Plant & Machinery shown in the trial balance.
- Depreciation is to be provided on Plant and Machinery at 10% on cost.
- Balance at bank includes ₹ 5,000 with XYZ Bank Ltd., a non-scheduled Bank.
- Trade receivables of ₹ 50,000 are due for more than six months.
- Provision is to be made for income tax @30%.

You are required to prepare the following, **with notes to accounts**, in accordance with Schedule-III of the Companies Act, 2013:

(a) Profit and Loss Account of the company for the year ending 31st March, 2025. (25 marks)

(b) Balance Sheet of the company as on 31st March, 2025. (15 marks)

Question 2:

Deepti Surgical Ltd., Panchkula is a trading company. It has a Branch at Faridabad. All purchases are made by the Head Office. Goods sent to the Branch are invoiced at selling price which is 20% above cost. Branch expenses are paid by Head Office and all cash received by the Branch is remitted to Head Office. All Branch transactions are recorded in the Head Office books. Following information has been extracted from the books of the company:

Branch stock (at cost to Branch) as on April 1, 2024	₹ 46,800
Branch Debtor as on April 1, 2024	₹ 33,475

Transactions during the year 2024-25:

Goods sent to Branch at invoice price	₹ 4,21,980
Returns from Branch to H.O. at invoice price	₹ 8,346
Branch Sales	₹ 4,39,140
Returns from customers to Branch	₹ 4,602
Cash received from Branch Debtors	₹ 4,27,024
Discount allowed to Branch Debtors	₹ 18,395
Branch expenses paid	₹ 52,351

Branch stock as on March 31st, 2025 (at invoice price) was ₹ 25,506 and expenses outstanding on that date were ₹ 650.

Prepare the following accounts in the ledger of the Head Office for the year ending 31st March, 2025: -

(a) Branch Account

(5 marks)

- (b) Branch Stock A/c (4 marks)
- (c) Branch Expenses Account (3 marks)
- (d) Branch Debtors Account (3 marks)
- (e) Branch Profit & Loss Account (Adjustment account) (5 marks)

Question 3:

Vijay Software Solutions purchased three desktop computers from Haryana Digitals Ltd costing ₹50,000 each on the hire purchase system on 01-01-2022. Payment was to be made ₹30,000 down and the balance in 3 equal annual instalments payable on 31-12-2022, 31-12-2023 and 31-12-2024 together with interest @ 9% per annum. M/s Vijay Software Solutions write off depreciation at the annual rate of 20% on the written down value. It paid the instalment due at the end of the first year i.e. 31-12-2022, but could not pay the next due on 31-12-2023. Haryana Digitals Ltd agreed to leave one Computer with the purchaser on 1-1-2024 adjusting the value of the other two Computers against the amount due on 31-12-2023 (date of repossession). The Computers were valued based on 30% depreciation per annum.

You are required to record these transactions in the following accounts of buyer's books, carrying down the balances on 31st December 2022, 31st December 2023 and 31st December 2024 :

- (a) Computers on Hire Purchase Account (8 marks)
- (b) Seller's Account (7 marks)

PART-B (Theory)

(Attempt any five questions. All questions carry equal marks. (5 X 15 = 75 marks)

Attempt all parts of a question at one place.

Question 4:

Explain with two examples each the following types of errors in recording accounting transactions:

- (a) Errors of omission
- (b) Errors of Commission
- (c) Errors of principle (5x3= 15 marks)

Question 5:

Distinguish between:

- (a) Straight Line method and Diminishing Balance Method of depreciation (7 marks)
- (b) Depreciation Fund method and Insurance Policy method of depreciation (8 marks)

Question 6:

- (a) What is meant by dishonour of a Bill of Exchange?
- (b) How does dishonour of a Bill of Exchange by non-acceptance differ that by non-payment?
- (c) What are noting charges in the context of Bill of Exchange? Who is to bear them ultimately. (5x3 = 15 marks)

Question 7:

- (a) What is Average Due Date?
- (b) How is interest calculated by Average Due Date method?
- (c) How does Account Current differ from Current Account? (5x3 = 15 marks)

Question 8:

- (a) How are Self-balancing Ledgers different from Sectional Ledgers? (8 marks)
- (b) What are the advantages of Self-balancing Ledgers and Sectional Ledgers? (7 marks)

Question 9:

- (a) Define the terms “Personal Accounts”, “Real Accounts” and “Nominal Accounts”. (5 marks)
- (b) Classify the following accounts under the heading “Personal Accounts”, “Real Accounts” and “Nominal Accounts, giving reason in each case:
 - I) Drawing Account
 - II) Depreciation Account
 - III) Outstanding Rent Account
 - IV) Stock of stationary Account
 - V) Goodwill Account
 - VI) Salary Account (2x5 =10 marks)

Question 10:

Write short notes on:

- (a) Debit and Credit notes
- (b) Renewal of a Bill of Exchange
- (c) Sales Return Book and Purchase Return Book
- (d) Bank Reconciliation Statement
- (e) Accrual Concept of Accounting (3x5 = 15 marks)
