

HONOURS + GENERAL
UNDER GRADUATE INTERMEDIATE EXAMINATION, 2020
KISHORE BHARATI BHAGINI NIVEDITA COLLEGE (CO-ED)
FINANCIAL ACCOUNTING - II [C-22A] / [C-23G]
FULL MARKS : 50

TIME : 1 hr.

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Send your answer pdf in this email-id.

Answer any two questions.

• 2x25 = 50.

1. Describe the procedure for issuing accounting standards in India.
2. Define 'Lease'? What is non-cancellable lease? Distinguish Finance lease and Operating lease.
3. Write distinction between Departmental Accounts and Branch Accounts. What are the advantages of Departmental accounting?
4. Oriental Ltd. issued 5,000 equity shares of ₹10 each at a premium of ₹2 per share payable as ₹3 per share on application, ₹5 per share on allotment (including premium) and ₹2 per share on first and final call each. Applications for 8,000 shares were received and allotment was made pro-rata to applicants of 7,500 shares, application money on balance being refunded. Akash to whom 120 shares were allotted, failed to pay the allotment money and first call money. His shares were forfeited after the first call. Bikas who applied for 300 shares, failed to pay the two calls and his shares were forfeited after the final call. Of these, 240 shares were reissued as fully paid for ₹9 per share (which included all the shares issued to Akash).

Show Journal Entries to give effect to the above transaction.