

Duration: 2.5 hours

Marks-75

Note: 1) All questions are compulsory.

2) Working Notes should form part of your answer.

3) Figures to the right indicate full marks.

Q.1. (A) Select the most appropriate alternatives from those given below and rewrite the statements. (Any 8) (08)

- In _____ of depreciation the amount of depreciation remain constant every year.
 - Straight Line Method
 - Fixed Instalment Method
 - Written Down Value
 - a and b both
- Money value or the reputation of business is known as _____.
 - Copyrights
 - Patents
 - Goodwill
 - Trademarks
- A payment of Rs.100 to Kokate carriage Co. For bringing a new machine to the business place should be debited to _____.
 - Machine A/c
 - Kokate Co A/c
 - Cash A/c
 - Carriage A/c
- Sub division of journal is known as _____.
 - Subsidiary books
 - Cash Book
 - Journal Proper
 - None of these
- The immediate recognition of loss is supported by principle of _____.
 - Going Concern
 - Conservatism
 - Entity Concept
 - Dual Aspect
- Carried down (c/d) balance indicates _____ balance.
 - Opening
 - Closing
 - Real
 - Nominal
- Trial Balance is useful for locating _____.
 - Errors
 - Debit Balances
 - Financial Position
 - None of these
- Totalling of journal or ledger is called as _____.
 - Posting
 - Folio
 - Casting
 - Journalising
- If Fixed Capital Method is adopted, net profit is transferred to _____ account.
 - Capital
 - Current
 - Balance Sheet
 - Trading
- AS 6 is _____.
 - Cash flow statement
 - Valuation of inventories
 - Borrowing Cost
 - Depreciation

Q.1. (B) State whether you would consider the following as Capital Expenditure, Revenue Expenditure, Deferred Revenue Expenditure, Capital Receipt or Revenue Receipt. (Any 7) (07)

- Legal expenses paid in connection with collection of debts.
- Umbrellas were purchased for the employees.
- Rs.7000 was incurred for issue of shares
- Purchase of second hand typewriter.

- e. Premium received on issue of shares
- f. Wages paid for erection of machinery
- g. Rent received from sub letting office flat.
- h. New crockery purchases for a new works canteen
- i. Repairing charges paid for keeping the machinery in working condition.
- j. Premium paid on redemption of debentures.

Q.2 Journalise the following transaction in the books of Kapadia & Co. for the month of May 2018 (15)

1	Balance as on 1 st May cash at bank Rs.1, 00,000 Land & Building Rs.1, 80,000 creditors Rs.15, 000.
2	Purchased goods of Rs.20000 at 10% Trade discount on credit from Mr.Ojas
5	Received Rs.3700 cash from Yamini in full settlement of Rs.4000.
9	Sold goods to Mr.Wagh on credit Rs.10000
11	Cash withdrawn by proprietor for personal use Rs.4000
14	Mr.Wagh paid Rs.9000 after getting 10% cash discount for prompt payment
16	Interest on Bank loan Rs.800 debited to current account
19	Paid Rs.8900 to Nitin in full settlement of Rs.9000
21	Cash Sales Rs.8000 trade discount allowed Rs.400.

OR

Q.2 Enter the following transaction in the books of Mr.Joshi in Cash and Bank columns for the month of September 2018. (15)

1	Cash Balance Rs.29000
	Bank Overdraft Rs. 5000
3	Deposited into Bank Rs.6000
6	Bought additional Capital Rs.15000 and deposited same into bank
9	Paid to Shantanu Rs.19800 by cheque in full settlement of his account Rs.20000
11	Paid commission to salesman Rs.3250
14	Received bearer cheque for Rs.1000 from Pradeep and deposited it into the bank
17	Gave charity to old age home Rs.1500
20	Purchased goods for Rs.15000 at 2% cash discount
21	Sold goods for cash Rs.10000 at 2.5% trade discount
22	Issued a cheque for Rs.2230 to Anand Enterprises for Advertisement
25	Received a bearer cheque from Beena for Rs.3450 and discount allowed Rs.50
27	Carriage paid Rs.150
29	Deposited into Bank received from Beena
30	Paid salary Rs.6600 and Rent Rs.3200.

Q.3 Ameya Trading company purchased a Machine worth Rs.40,000 and installed 1st October 2014. On 1st April 2015 an additional Machinery costing Rs.20,000 was purchased. The Machinery purchased on 1st April 2015 having become obsolete and was sold for Rs. 12,000 on 1st October 2017 and new machinery costing Rs.30,000 was purchased on 1st November

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2017. The depreciation was provided annually on 31st March @ 10% p.a. by written down value method. Show **machinery Account for the year ended 2014-15, 2015-16, 2016-17 and 2017-18.**

Q.3.(A) On 31st October 2018 the cash book of Mr. Sachin showed an overdraft of Rs. 5600. From the following particulars prepare **Bank reconciliation statement.** (08)

1	Cheques issued but not encashed Rs. 3946
2	Cheques paid into bank but not credited by bank Rs. 4891
3	Bill of exchange Rs. 520 discounted with bank dishonoured and bank charges debited by bank Rs. 55
4	Debit is made in the passbook for Rs. 120 on account of interest on overdraft
5	The bank has collected interest on investment Rs. 760

Q.3 (B). From the following transactions Prepare **Madhav's Account in the books of Keshav for the month of July 2018** (07)

1	Madhav's A/c shows a debit balance of Rs. 5000
2	Sold Goods to Madhav on credit Rs. 3000
3	Madhav Paid Cash of Rs. 4000
8	Madhav Returned goods of Rs. 300
15	Credit Sales to Madhav Rs. 2500
25	Received cash from Madhav Rs. 2600 and discount Rs. 200

Q.4 Mohan Chemicals has the following ledger balances as on 31st March 2018. (15)

Particulars	Rs.	Rs.
Goodwill	25,000	
Factory Shed	10,000	
Machinery	65,000	
Furniture	4,000	
Investments	5,000	
Capital		97,500
Bank Loan		1,50,000
Creditors		75,000
Debtors	67,500	
Stock on 01/04/2017		
Materials	65,000	
Work in Progress	3,750	
Finished Goods	41,250	
Net Sales		5,50,000
Miscellaneous Income		2,000
Bad debts Reserve		2,500
Purchase of Materials	4,30,000	
Freight on Materials	25,000	
Factory Power	7,500	
Salaries and wages:		
Factory	75,000	

Office	32,500	
Repairs	1,250	
Rent and taxes	8,250	
Insurance	1,950	
General Expenses	9,050	
Total	8,77,000	8,77,000

The following Additional Information:

1. Closing stock : Materials Rs.1,05,000, Work in progress Rs.6,250 and Finished Goods Rs.1,03,750
2. Depreciation to be provided at 2.5% on factory shed, 10% on Machinery and 15% on Furniture.
3. Repairs and Rent & taxes are to be apportioned between Factory and Office in the ratio 3:2
4. Reserve for doubtful debts to be provided at 4% on debtors.
5. Prepaid Insurance Rs.325.

OR

Q.4 Mamta and Anita are Partners. Their Balance sheet as on 31/12/2018

Particulars	Rs	Particulars	Rs
Building	74,000	Mamta's Capital	90,000
Machinery	40,000	Anita's Capital	90,000
Furniture	20,000	Sales	6,80,000
Purchases	2,98,000	Creditors	52,000
Stock	60,000	R.D.D.	3,000
Wages	65,000	Discount	10,000
Carriage Inward	25,000		
Salaries	40,000		
Repairs	18,000		
Commission	5,700		
General Expenses	30,000		
Rent and taxes	21,000		
Bank balance	95,000		
Cash Balance	49,300		
Debtors	84,000		
Total	9,25,000	Total	9,25,000

Additional Information

1. Closing Stock was Rs.50,000
2. Nilesh has taken goods worth Rs.5,000 for his personal use for which no entry was made in the books of accounts.
3. Wages outstanding Rs.6,000
4. Write of Bad debts of Rs.5000 and Reserve for bad debts Rs.5000
5. Goods costing Rs.2500 was stolen but no entry was passed

Prepare Trading Account, Profit And Loss Account and Balance Sheet as on 31st March 2018.

(15)

Q.5 A. Explain Difference between Book keeping and Accountancy (08)

Q.5 B. Explain the rules of debit and credit for different accounts (07)

OR

Q.5 Short Notes (ANY 3) (15)

1. Fixed instalment Method
2. Differed Revenue Expenditure
3. Entity Concept
4. Trial Balance
5. Need of Bank Reconciliation
