

**Q.P. Code: 19688****Marks:75****Time: 2.5 Hrs****Note: All questions are compulsory****Q.1. (A)****Select the most appropriate alternatives from those given below and rewrite the statements.(Any 8) (08)**

1. Year end balances of assets and liabilities accounts appearing in the ledger are summarised in the \_\_\_\_\_.

- |                    |                            |
|--------------------|----------------------------|
| a) Balance Sheet   | b) Profit and Loss Account |
| c) Asset statement | d) Trial Balance           |

2. Concept which provides a line between present and future is known as \_\_\_\_\_.

- |                    |                   |
|--------------------|-------------------|
| a) Going Concern   | b) Cost Concept   |
| c) Accrual concept | d) Entity Concept |

3. Person who owes money to the business is known as \_\_\_\_\_.

- |               |           |
|---------------|-----------|
| a) Creditor   | b) Debtor |
| c) Proprietor | d) Lender |

4. The amount of depreciation goes on decreasing every year under the \_\_\_\_\_ method.

- |                         |                              |
|-------------------------|------------------------------|
| a) Straight Line Method | b) Fixed Instalment Method   |
| c) Revaluation Method   | d) Written Down Value Method |

5. \_\_\_\_\_ Discount does not appear in the books of accounts

- |         |           |
|---------|-----------|
| a) Cash | b) Retail |
| c) Net  | d) Trade  |

6. A brief description of transaction written below each journal entry is known as \_\_\_\_\_

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|----------------|----------------|
| a) Narration   | b) Voucher     |
| c) Explanation | d) Description |

7. Capital Expenditure is \_\_\_\_\_ Expenditure.

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|------------------|--------------|
| a) Abnormal      | b) Recurring |
| c) Non-recurring | d) Wasteful  |

8. Amount that a fixed asset is expected to realise on its disposal is called as \_\_\_\_\_.

- |                     |                    |
|---------------------|--------------------|
| a) Discounted Value | b) Historical Cost |
| c) Original Cost    | d) Scrap Value     |

9. For a shirt factory, cotton is \_\_\_\_\_.

- |                   |                     |
|-------------------|---------------------|
| a) Finished goods | b) Work in Progress |
| c) Raw Material   | d) Asset            |

10. If Fixed Capital Method is adopted, net profit is transferred to \_\_\_\_\_ account.

- |                  |            |
|------------------|------------|
| a) Capital       | b) Current |
| c) Balance Sheet | d) Trading |

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**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)**

1. Professional fees paid in connection with acquisition of leasehold premises.
2. Brokerage paid for purchase of Land.
3. Custom duty paid on raw material purchased.
4. Renovation of factory canteen.
5. Rs.7000 paid for issue of shares.
6. Premium received Rs.25,000 on issue of new shares.
7. Purchase of old Machinery for cash Rs.1,00,000
8. Payment of salaries
9. Dividend received Rs.10,000 on Investments.
10. Received Rs.2,00,000 on issue of Equity Shares.

**Q.2 Journalise the following transactions in the books of Mr. Mayur for the Month of June 2016. (Narrations not required) (15)**

1. Started business with cash Rs.2,00,000, goods worth Rs.10,000 and computer Rs.20,000.
4. Deposited into Dena Bank Rs.10,000.
8. Bought goods on credit from Mona Rs.8,000 at 6% Trade Discount.
12. Sold goods to Omkar Rs.8,000 at 5% Trade Discount.
14. Goods worth Rs.1,050 burnt by fire.
18. Received cash of Rs.7,500 from Omkar in full settlement of his account.
21. Drew from Bank Rs.5,000 for personal use.
24. Paid cash to Mona Rs.7,400 in full settlement of her account.
26. Sold goods worth Rs.10,000 to Divakar who paid us Rs.6,000 on account.
29. Paid house rent Rs.2,000.
30. Paid for postage and telegram Rs.5,000.

**OR**

**Q.2 (A) Enter the following transactions of Ayanti Traders in Purchase Book and Sales Book for the month of August 2016. (08)**

August 2016	Particulars
1	Sold goods to Sharma Stores Rs.11,000 at 10% Trade Discount.
4	Purchase goods from Nandan Traders Rs.7,350.
11	Cash Purchases Rs.12,800 and Cash Sales Rs.9,000
14	Vignesh invoiced goods to us as per our order placed of Rs.20,000.
16	Sold Goods worth Rs.3,600 to Vishal at 10% Trade Discount.
22	Credit Purchases from Anuj Traders worth Rs.8,150 and they allowed a Trade Discount of Rs.150.

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**Q.2B . Record the following transactions of Ajit in the Cash Book with Cash and Bank columns for the month of July 2016.** (07)

July 2016	Particulars
1	Cash Balance Rs.29,000 and Bank Balance Rs.5,000
4	Deposited into Bank Rs.6,000
9	Paid commission Rs.3,250 in cash
21	Sold goods for Rs.10,000 and received a cheque.
27	Carriage paid Rs.150 in cash
29	Paid Salary Rs.6,600 and Rent Rs.3,200 both by cheque
30	Received a bearer cheque from Beena Rs.3,450 .

**Q.3** M/s Madhav Trading Company, Nasik purchased Machinery worth Rs.1,20,000 on 1<sup>st</sup> April 2013. Additional Machinery purchased costing Rs.80,000 on the 1<sup>st</sup> October 2013. On 1<sup>st</sup> October 2015 the Machinery which had cost of Rs. 20,000 on 1<sup>st</sup> April 2013 was sold for Rs.10,000. Company provides depreciation at 10% p.a. under Written Down Value method on 31<sup>st</sup> March every year.

**Prepare Machinery account for year ending 31<sup>st</sup> March 2014, 2015 and 16 respectively. Show necessary working notes.** (15)

OR

**Q.3 A. From the following particulars prepare Analytical Petty Cash Book.** (08)

December 2015	Particulars	Rs.
1	Balance with Cashier	25
1	Received from Main Cashier	275
2	Paid Bus fare to a clerk	5
3	Bought Postage Stamps	10
4	Gave temporary advance to Ravi a clerk	25
5	Paid to J.K. Printers	30
6	Paid for advertisement	18
7	Paid expenses of tea coffee etc	7
8	Paid coolie charges for carrying goods	5

**Q. 3.B. Prepare Bank Reconciliation Statement as on 31<sup>st</sup> October 2015.** (07)

The Bank column of a Cash book showed a debit balance of Rs.49,000 on 31<sup>st</sup> October 2015. While comparing the cash book balance with the pass book balance the following differences were noticed.

1. Cheques worth Rs.9000 and Rs.15,000 were deposited but were not collected and credited by bank.
2. Our debtor directly deposited Rs.8000 into Bank account. No entry of the same was passed in cash book.
3. Bank credited interest on investments Rs.500
4. Bank paid Insurance Premium Rs.6,000 but the same was not entered in the Cash Book.
5. Cheque of Rs.10,000 issued but not presented for payment to the Bank.
6. Bank debited Bank charges Rs.100.

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**Q.4.Prepare Manufacturing, Trading and Profit and Loss Account for the year ended 31<sup>st</sup> December, 2015 and Balance Sheet as at that date of Shri. Singh Manufacturer from the following Trial Balance (15)**

**Trial Balance as on 31<sup>st</sup> December 2015**

Particulars	Dr (Rs)	Particulars	Cr (Rs)
Stock as on 1/1/2015		Creditors	1,50,000
Raw Material	2,10,000	Bills Payable	75,000
Work in Progress	95,000	Sale of Scrap	25,000
Finished Goods	1,15,000	Commission	4,500
Debtors	2,44,000	Provision for doubtful debts	16,500
Carriage Inward	15,000	Capital Account	9,00,000
Bills Receivable	1,50,000	Sales	17,70,000
Wages	1,30,000	Current Account	10,200
Salaries	1,00,000		
Telephone charges	10,000		
Repairs to Plant	11,000		
Repairs to Furniture	3,500		
Purchases	8,00,000		
Cash at Bank	1,20,000		
Plant and Machinery	7,00,000		
Office Furniture	1,10,000		
Rent	60,000		
Lighting	72,000		
General expenses	5,700		
<b>Total</b>	<b>29,51,200</b>	<b>Total</b>	<b>29,51,200</b>

**Additional Information:**

1. Stock as on 31<sup>st</sup> December 2015  
Raw Material Rs.1,62,000, Finished goods Rs.1,70,000 and Work in Progress Rs.70,000.
2. Outstanding expenses were Salaries Rs.8000 and Wages Rs12,000.
3. Depreciation on Machinery is 10% p.a.and Furniture at 10% p.a.
4. Provision for doubtful debts should be maintained at the rate of 5% on Debtors.
5. Office premises occupy  $\frac{1}{2}$  of the total area and Lighting has to be charged as  $\frac{3}{4}$ <sup>th</sup> to Factory and  $\frac{1}{4}$ <sup>th</sup> to Office.

**OR**

**Q.4.Following is the Trial Balance of M/s Anita and Ankita as on 31<sup>st</sup> March 2016 sharing Profit and Losses in the ratio of 3:2.**

**Trial Balance as on 31/03/2016.**

**(15)**

Debit	Rs	Credit	Rs.
Debtors	28,000	Capital	
Postage	1,000	Anita	50,000
Machinery	30,000	Ankita	40,000
Opening Stock	32,000	Bills Payable	4,000
Furniture	25,000	Creditors	15,000

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Purchases	76,500	Sales	1,18,700
Wages	12,000	Bank Loan	15,000
Salaries	7,000	Outstanding wages	3,000
Carriage Inward	1,000		
Carriage Outward	2,000		
Rent paid	1,500		
Bad debts	1,700		
Cash in Hand	8,000		
Motor Car	20,000		
<b>Total</b>	<b>2,45,700</b>	<b>Total</b>	<b>2,45,700</b>

**Prepare Trading and Profit and Loss Account for the year ended 31<sup>st</sup> March, 2016 and Balance Sheet as on that date after taking into consideration the following adjustments**

1. Closing stock is valued at cost Rs.45,000 while its Market Value is Rs. 50,000
2. Outstanding Expenses were Salaries Rs.800 and Rent Rs.500.
3. Depreciation on Machinery is 15% p.a. and Furniture is 10% p.a.
4. Goods costing Rs. 3000 were distributed as Free Samples.
5. Interest Rs.1,500 is payable on Bank Loan.

**Q.5 A.** Explain the difference between Capital Expenditure and Revenue Expenditure. **(08)**

**Q.5 B.** Explain the Objectives of Book Keeping and Accountancy. **(07)**

**OR**

**Q.5 Short notes (any 3)**  
**(15)**

1. Fixed Instalment Method.
2. Business Entity Concept
3. Advantages of Subsidiary Books
4. Fixed Capital Method
5. Outstanding Expenses And Prepaid Expenses