

Note:

1. All questions are compulsory.
2. Figures to right indicate full marks.

(08)

Q.1.A] Pass Journal Entries in the books of star traders.

2011 April

1. Opened current A/C, with SBI by depositing Rs. 150,000
4. Goods sold for Rs. 20,000 and deposited the amount into Bank.
6. Withdraw from Bank Rs. 25,000 for business expenses.
8. Received a cheque of Rs. 10,000 from Kaveri.
10. Deposited Kaveri's cheque into Bank.
16. Sold goods for Rs. 30,000 for cash and deposited 50% of the amount into Bank.
18. Received a cheque of Rs. 10,000 for dividend.
30. Bank debited Rs.200 for Bank charges.

3]From the following balance extracted from the books of Srigopal, prepare Trial Balance as on 31<sup>st</sup> December,2011:

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Particulars	Rs.
Capital	15,000
Land & Building	15,600
Bank Overdraft	2,500
Cash in hand	680
Stock in Trade as on 1 January, 2010	6000
Purchases	7,200
Provision for Bad Debt	370
Sales	17,000
Wages	1250
Salaries	700
Advertisement	210
Rent and Taxes	160
Insurance	40
Discount Allowed	300
Repairs to Building	210
Interest and Dividend Received	500
Debtors	6620
Creditors	4100
General Expenses	500



Q.2] Following is the Trail Balance of Uday on 31 March 2011. Prepare trading and profit/loss Account for the year ending 31 March 2011 and balance sheet as at that date.

Particulars	Debit(Rs.)	Credit(Rs.)
Land and Building	1500,000	-
Plant and Machinery	21,00,000	-
Cash in hand	45,000	-
Cash at bank	92,000	-
Stock(as on 01-04-2010)	81,000	-
Debtors	651,000	-
Purchase and sales	12,21,000	25,00,000
Discount	31,000	-
Purchase and sales	12,21,000	25,00,000
Discount	31,000	-
Creditors	-	210,000
Rent	62,000	-
General Expenses	21,000	-
10% Loan	-	500,000
Return Inward	13,000	-
Return outward	-	12,000
Salaries	14,000	-
Wages	25,000	-
Interest	25,000	-
Electricity charges	110,000	-
Bills payable	-	69,000
Capital	-	2700,000
	59,91,000	59,91,000

Adjustments:-

1. The closing stock was valued at Rs. 20,000.
2. Create a provision for Bad Debts @ 5%.
3. Depreciate plant and machinery @ 10% p.a. & Land/ Building @ 20% p.a.
4. Outstanding wages are Rs. 2000 and prepaid salaries are Rs.2000.

OR

Q.2] Following is the Trail Balance of Shri Bhosale as at 31 March 2011. Prepare trading and profit and loss account and Balance sheet as at that date.

Particulars	Debit(Rs.)	Credit(Rs.)
Wages and salaries	6000	-
Sales: cash	-	8000
credit	-	18000
Capital Account	-	34,000
Drawings	2000	-



Purchases	18000	-
Sales Return	300	-
Office Furniture	4000	-
Buildings	12000	-
Office expenses	800	-
Advertisement	500	-
Discount earned	-	340
Opening stock	5000	-
Rent, Rates and Taxes	400	-
Commission	200	-
Purchase Returns	-	460
Bills Receivable	800	-
Travelling Expenses	250	-
Trade Expenses	350	-
Bad debts	190	-
Provision for doubtful Debts	-	1500
Sundry creditors	-	2800
Sundry Debtors	11000	-
Cash in hand	1800	-
Bank overdraft	-	1300
Postage	50	-
Freight on purchases	210	-
Investments	2000	-
Income from investments	-	250
Fuel and power(factory)	800	-
	66,650	66,650

#### Adjustments:

1. Provide depreciation on Building and furniture at 10%.
2. Provide for outstanding Rent Rs. 120
3. Maintain RDD @ 5% on Debtors.
4. Interest accrued but not received is Rs. 50
5. Closing stock is valued at Rs. 8200.

Q.3.A] The book value of Plant and Machinery account as on 1 April 2007 was Rs. 200,000. New machinery for Rs. 10,000 was purchased on 1 October 2007 and Rs. 20,000 on 1 October 2008. On 1 October, 2009, the machinery whose book value was Rs. 30,000 on 1 April 2007 was sold for Rs. 16000.

Provide depreciation @10% p.a. as per Straight Line Methods.

Prepare plant and Machinery Account for all the years.

B] The net profit of a firm after providing for taxation for the last 4 years are:-

Rs 32,500, Rs 35,000, Rs 36,000 and Rs 39,000. Average capital employed is Rs. 400,000 on which a reasonable return of 12% is expected.

Calculate the value of goodwill at 2 years purchases of the super profit method.

(07)



OR

C] Amit Traders purchased a furniture on 1 April 2004 for Rs. 15,000. In the same year on 1 October, another furniture was purchased for Rs. 8000.

On 1 October 2005, furniture purchased on 1 April 2004 was sold for Rs. 10,000 and on the same days, new furniture was purchased for Rs. 12000.

Charge Depreciation @10% on Reducing Balance Method.

Prepare furniture Account in books of Amit Traders.

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D] Form the following information, calculate the value of goodwill by 3 years purchase of super profit method.

- Capital employed in the business is Rs. 500,000

- Trading Profit

2004= Rs. 107,600

2005=Rs.90,700

2006=Rs.112,500

- Normal Rate of Return is 10%

- Fair Remuneration to partners for their services is Rs. 10,000 p.a.

(07)

Q.4] Prepare stock ledger by using (a) Weighted Average Method and (b) FIFO Method.

(15)

Date	Transaction	Rate(Rs)
2011		
March 02	Receipts 200 units	2.40
March 10	Receipts 300 units	2.50
March 15	Issues 250 units	-
March 18	Receipts 250 units	2.60
March 20	Issues 200 units	-

OR

Q.4] From the following information, prepare an Income and Expenditure Account for the year ended 31 Dec 2012 and Balance sheet as on that Date:-

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LIONS CLUB MUMBAI

Receipts and payment A/C for year ended 31.12.14



Receipts	Rs.	Payments	Rs.
To subscription	5500	By salaries	5000
To Interest on		By Printing	4000
Securities	3750	By Telephone	850
To Cricket fees	1250	By Cricket Expenses	1600
To Tennis fees	2750	By Insurance	500
To Life Membership		By Tennis Expenses	3500
Fees	10,000	By Investment	20,000
To Donations	1,24,000	By Land and Building	100,000
To Entrance fees	15,000	By Tournament	
To Tournament		Expenses	6000
Fees	5,000	By furniture	6000
		By sports materials	5000
		By Current A/C balance	15,000
		By Cash in Hand	3,400
	167,250		167,250

**Additional Information:**

1. Subscription outstanding for the year=Rs. 1650.
2. Subscription of Rs 500 were received in advance.
3. Salaries outstanding amounted to Rs. 1000
4. Insurance prepaid is Rs. 250.
5. Half of the entrance fees were to be capitalized.
6. Donations and life membership fees were to be capitalized.
7. Interest due but not received Rs., 500
8. Sport materials were valued at Rs. 3200 at the year end.
9. Depreciate furniture@ 5% p.a. and Land/ Building by 2.5% p.a. for full year.
- 10.

5.A] What is Share Capital? Explain its Types.

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B] Explain the Dual aspect and accounting period concept.

(07)

OR

C] Write short notes on. (Any 3)

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1. AS\_6
2. Types of Errors
3. Importance of Book keeping and Accounting
4. Uses of Securities Premium
5. Types of Accounts.