

[Time: 2½ Hours]

[Marks:75]

- Note:** 1) Use of Simple Calculator is allowed
 2) All workings forming part of answer
 3) All questions are compulsory subject to internal choice

Q1A) State whether the following statements are True or False.**(Any 7 out of 10)****(7 Marks)**

- 1) Single Entry System is suitable to small organization.
- 2) Credit Sales can be ascertained from Debtors Account.
- 3) Under Single Entry System, closing capital is ascertained by preparing opening statement of affairs.
- 4) The relationship between consignor and consignee is that of Principal and Agent.
- 5) In case of del-credere commission, bad debt loss is borne by the consignee.
- 6) Consignment is same as sales.
- 7) Discount allowed to customers is not recorded in Branch Account.
- 8) Dependent branch depends on customers for supply of goods and expenses.
- 9) Under Stock and Debtors system, Branch Stock Account is a real account.
- 10) Average clause has no effect on calculation of claim.

Q1B) Fill in the blanks (Any 8 out of 10)**(8 Marks)**

- 1) Opening balance of petty cash is shown on _____ side of Branch Account.
- 2) Goods sent to a consignee for sale is called as _____.
- 3) Goods sent on consignment is credited to _____ account.
- 4) Ownership of the goods sent on consignment remains with the _____.
- 5) Proforma invoice is prepared by _____.
- 6) _____ branches do not maintain complete books of accounts.
- 7) Under Branch Debtors System, depreciation of branch fixed assets is not shown in _____.
- 8) Branch Account is prepared under _____ method of Branch Accounting.
- 9) Slow moving goods are called as _____ goods.
- 10) Credit purchases can be ascertained from _____ account.

Q2) Mr. Suryakumar Yadav a trader did not keep his books of account properly. He furnished the following data from his rough diary and also stated that the gross profit margin is 25% on sales.

(15 Marks)

Particulars	1 st January, 17 Rs.	31 st December, 17 Rs.
Debtors	1,10,000	1,26,000
Stock	23,750	?
Plant & Machinery	25,000	25,000
Furniture & Fittings	1,750	1,750
Creditors	24,375	48,750

Rough Cash Book Disclosed the following:

Particulars	Rs.
Payments :	
Due to Bank 1-1-2017	9,250
Creditors	31,250
General Expenses	12,500
Wages	19,375
Drawings	3,750
Receipts :	
Collection from Debtors	75,000
Loans from Friends	6,250

Prepare Trading & Profit & Loss A/c for the year ended 31-12-2017 & Balance Sheet at 31-12-2017 after providing the depreciation on assets at 10% and a provision of Rs. 3,750 for doubtful debts. It was also ascertained that payments to creditors include Rs. 6,250 as advance to a contractor for new premises.

OR

(15 Marks)

Q2) The books of Mr. Deshpande maintained by Single Entry System showed the following:

Particulars	31-12-12 Rs.	31-12-13 Rs.
Cash at Bank	4,000	15,000
Cash in Hand	500	800
Stock in Trade	24,000	22,800
Sundry Debtors	?	40,000
Sundry Creditors	23,500	22,800
Furniture & Fittings	3,000	?
Motor Vehicle	8,000	?

The cash analysis showed the following figures :

Particulars	Rs.	Particulars	Rs.
Receipts from Debtors	1,30,000	Salaries upto 30 th November 2013	11,000
Discount allowed to them	2,000	Office Rent upto 31 st Oct. 2013	2,000
Further Capital brought on 1-7-2013	10,000	Advertising	1,000
Payments to creditors	1,20,000	Sundry Expenses	1,800
Discount Received	1,500		1,400
Drawings	8,000	Motor Upkeep	800
Bad debts recovered	400	Printing & Stationery	2,000
		Travelling Expenses	

It was further informed that :

- i) The trader maintains a steady gross profit of 25% on sales.
- ii) The following expenses are outstanding: Advertising Rs. 200 and Printing Rs. 180.
- iii) Allow 8 % interest per annum on capital
- iv) Depreciate motor vehicles and furniture's by 20% and 10%
- v) Provide 5% on book debts to cover doubtful debts
- vi) Provide 2.5% discount on debtors

You are required to prepare Trading and Profit and Loss Account and Balance Sheet of Deshpande for the year ending 31st December, 2013.

Q.3) On 16th June 2015 the premises of Mishra were destroyed by fire, but sufficient records were saved from which the following particulars were found: **(15 Marks)**

Particulars	Rs.
Stock (1-1-2014)	50,000
Stock (31-12-2014)	70,000
Purchases (2014)	4,74,000
Sales (2014)	6,00,000
Purchases (1-1-2015 to 16-6-2015)	1,50,000
Sales (1-1-2015 to 16-6-2015)	2,05,000

In valuing the stock for the Balance Sheet at 31-12-2014 Rs. 4000 had been written off certain stock having cost Rs. 9,000. Half of this goods were sold in March, 2015 for Rs. 5,000. The balance is estimated to be worth the original cost. Subject to this exception, gross profit had remained at uniform rate. The stock salvaged was worth Rs. 9,500. Show the amount of claim to be lodged with the Insurance Company.

OR

Q3) On 7th November, 2013 the premises of Chulbul were destroyed by fire, but sufficient records were saved from which the following particulars were found: **(15 Marks)**

Particulars	Rs.
Stock (1-4-2012)	80,000
Stock (31-3-2013)	98,000
Purchases (F.Y. 2012-13)	6,75,000
Sales (F.Y. 2012-13)	8,10,000
Purchases (1-4-2013 to 7-11-2013)	5,05,000
Sales (1-4-2013 to 7-11-2013)	6,25,000

In Valuing the stock for the Balance Sheet at 31-3-2013 Rs. 8,000 had been written off certain stock having cost Rs. 14,000. Half of this goods were sold in May 2013 for Rs. 2,000. The balance is estimated to be worth 60% original cost. Subject to this exception, gross profit had remained at uniform rate. The policy amount Rs. 1, 20,000. The stock salvaged was worth Rs. 7,500. Show the amount of claim to be lodged with Insurance Company.

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(15 Marks)

Q.4) Designer Dress maker of Mumbai consigned 1,600 bales of goods to Mr. Aryan of Kalyan. The cost price was Rs. 800 per bale but the invoice was made out to show a gross profit of 25% on cost price. Mr. Aryan sold three fourth of the consignment at a profit of 25% on invoice price and incurred Rs. 10,000 on account of freight and landing charges and also paid Rs. 6,000 of godown rent exclusively commission. Consigner spent Rs. 5,000 earlier as expenses. Mr. Aryan is entitled to commission of 5% on sales and 20% of sales as bonus after charging both commission and bonus. Mr. Aryan sent a Bank draft for the balance due. Prepare necessary accounts in the books of Consigner and Consignee.

OR

(15 Marks)

Q4) Delhi Soap Mills Ltd. has branch at Agra. Goods are involved to branch at cost plus 50%. Branch remits all cash received to the head office and all expenses are met by head office. From the following particulars, prepare the necessary accounts under the stock and debtors system to show the profit earned at the branch:

Particulars	Rs.
Stock on the 1 st April, 2017 (Invoice Price)	93,000
Debtors on 1 st April, 2017	68,000
Goods invoiced to branch (cost)	3,40,000
Sales at branches :	
Cash	2,50,100
Credit Sales	3,10,000
Cash Collected from debtors	3,04,000
Goods returned by debtors	12,000
Goods returned by branch to head office	1,500
Shortage of Stock	4,500
Discount allowed to customers	2,000
Expenses at Branch	54,000

Q5A) Explain Conversion Method of single entry system

(7 Marks)

B) Explain in brief, Stock & Debtors Method

(8 Marks)

OR

B) Write Short Notes on: (3 out of 5)

(15 Marks)

- 1) Dependent Branch
- 2) Memorandum Trading Account
- 3) Branch stock Adjustment Account
- 4) Average clause
- 5) Total Creditors Account
