

15/02/2017

Q1) a) State whether the following statement are True or False (any 8)

(8)

- 1) Inventories include Machinery.
- 2) There is no need to established Accounting Standard.
- 3) AS-2 is not applicable to Mineral Oil.
- 4) Hire Purchase price is equal to cash price.
- 5) AS-9 does not deal with revenue arising from hire purchase.
- 6) AS-1 is mandatory for all the companies.
- 7) Amount which is not recoverable from customers is known as Bad debts.
- 8) Depreciation is apportioned equally in all departments.
- 9) All the factory expenses are debited to Manufacturing A/C.
- 10) Capital Expenditure is recurring in nature.

Q1) b) Match the following columns: (any 7)

(7)

Column 'A'	Column 'B'
1) Revenue Recognition	1) First in first out
2) Basic rule of valuation of Inventories	2) Gross Profit
3) Disclosure of Accounting policies	3) AS-2
4) Accounting policies	4) Cost of Production
5) FIFO Method	5) AS-9
6) Manufacturing A/C	6) Sales Ratio
7) Trading A/C	7) AS-1
8) Advertising Expenses	8) Materiality
9) Inventory Valuation	9) Capital Expenditure
10) Purchase of Assets.	10) Lower the cost & net realisable value
	11) Capital Receipts
	12) AS-10

Q2) From the following trial balance of M/s S Ltd. Prepare Manufacturing Account, Trading Account, P & L Account and Balance sheet for the year ended 31st December 2014. (15)

particulars	Rs.	Particular	Rs.
Opening stock:		Sales	9,48,000
-Raw Material	70,000	Discount	7,000
-W-I-P	1,20,000	Return outward	13,000
-Finished goods	1,80,000	Capital	8,00,000
Carriage inward	20,000	Sundry Creditors	2,50,000
Wages & salaries	1,50,000	Bank Loan	1,50,000
Factory expenses	24,000	Reserve for Bad Debts	12,000
Factory rent & rates	30,000		
Office expenses	16,000		
Printing & stationery	15,000		
Discount	11,000		
Bad Debts	9,000		
Drawing	72,000		
Goodwill	80,000		
Plant & Machinery	3,00,000		
Land & Building	2,40,000		
Cash & Bank	74,000		
Sundry Debtor	1,18,000		
Trade Marks	18,000		
Salary to Manager	33,000		
Purchase of Raw Material	6,00,000		
	21,80,000		21,80,000

The following additional information is also available:

- On 31st December 2014 stock were valued as:

Raw Material	Rs.1,10,000
Work in Progress	Rs.1,50,000
Finished Goods	Rs.1,90,000
- Depreciate Plant & Machinery @ 10% p.a.
- Write off Trade Marks @ 33 1/3% p.a.

- 4) Outstanding Expenses were Printing & Stationery Rs.3,000.
- 5) Prepaid Expenses were Factory Rent & Taxes Rs. 4,000.
- 6) Increase Reserve for Bad Debts by Rs. 10,000

OR

Q2) The trial balance of M/s Pragati as on 31st December 2014 is as follows: (15)

Particular	Rs	Particular	Rs
Opening stock:		Sundry creditors	51,000
-Raw Material	70,000	Bills payable	25,500
-work in progress	30,000	Sale of scrap	4,500
-finished goods	46,500	Commission	2,000
Sundry debtors	81,000	Provision for doubtful debts	5,000
Carriage inward	4,500	Capital Account	6,29,000
Bills receivable	54,000	Sales	8,00,000
Wages	36,000		
Salaries	30,000		
Telephone charges	1,500		
Postage	1,500		
Repairs to plant	3,500		
Repairs to office furniture	1,800		
Purchases	5,00,000		
Cash at bank	36,000		
Plant & machinery	5,70,000		
Office furniture	27,000		
Rent	15,000		
Lighting	3,900		
General expenses	4,800		
	15,17,000		15,17,000

The following information is provided to you:

- 1) Closing stock: Raw Material Rs.47,400
Work in progress Rs.21,000
Finished goods Rs.54,600
- 2) Outstanding expenses : Salaries Rs.3,000
Wages Rs.9,000

- 3) Machinery to be depreciated by 10% & Office furniture by 5%
- 4) Provision for Doubtful Debts is to be maintained at '0%
- 5) Lighting is to be charged to office premises for Rs. 900 & remaining Rs. 3,000 are be charged to factory premises.

You are required to prepare Manufacturing Account, Trading account, Profit & Loss account and Balance sheet as on 31st December 2014.

- Q3) From the following information prepare Departmental Trading and Profit & Loss account for two Departments X & Y for the year ended 31st March 2004: (15)

Particular	Dept. X	Dept. Y	Total
Opening stock	13,400	11,200	24,600
Purchases	73,600	71,400	1,45,000
Sales	1,10,000	88,000	1,98,000
Salaries	8,000	7,000	15,000
Carriage outward			2,900
Discount earned			1,450
General salaries			7,500
Advertisement			8,100
General expenses			4,500
Discount allowed			2,700

Adjustment:

- 1) Closing stock was 'X' – Rs. 20,500 & 'Y' – Rs. 17,600.
- 2) Carriage outward, Advertisement & Discount allowed should be distributed as per Sales Ratio where as Discount Earned should be distributed as per Purchase Ratio.
- 3) General salaries and General expenses are to be allocated equally.

OR

- Q3) From the following the balance prepare Departmental Trading and Profit & Loss account for the year ended 31st December 2009 .

(15)

Particulars	Dept. A	Dept. B	Total
Opening stock	45,000	42,000	87,000
Purchases	1,05,000	90,000	1,95,00
Wages	18,000	12,000	0
Sales	1,80,000	1,50,000	30,000
Rent, Rate & Taxes			3,30,00
Carriage inward			0
Advertising			6,300
Discount Received			
Discount allowed			7,020
Lighting & heating			11,040
Salaries			1,950
			6,600
			9,300
			28,170

The following information is also provided:

- 1) Stock on 31st December 2009: Dept. 'A' - Rs. 51,000, Dept. 'B' - Rs. 45,000
- 2) Advertising is to allocated equally.
- 3) Internal transfer of goods from Department 'A' to Department 'B' Rs. 6,000
- 4) Rent, Rate & Taxes, Lighting & Heating, salaries and carriage inward to be allocated 2/3 to Department 'A' & 1/3 to Department 'B'.

Q4) A) From the following information of Z Co. Calculate closing stock & prepare stock ledger by FIFO Method.

(8)

> Receipts:

- 1) 01/04/12 Opening Stock 2000 Units @ Rs. 5.00
- 2) 05/04/12 Purchases 4000 Units @ Rs. 6.00
- 3) 08/04/12 Purchases 5000 Units @ Rs. 7.00

4) 12/04/12 Purchases 7000 Units @ Rs. 8.00

> Issues:

1) 06/04/12 Sales 3500 Units @ Rs. 7.00
2) 10/04/12 Sales 4500 Units @ Rs. 8.00
3) 14/04/12 Sales 5000 Units @ Rs. 9.00

Q4) B) On 1st Jan, 2008 Ram has purchased a machine from Hanuman and paid Rs. 24,000 at the time of delivery. The cash price was Rs. 1,44,000.

The balance amount was paid in the following four instalments on the 31st Decemb every year with interest @ 5% on cash price : Rs. 36,000 on 31/12/2008, Rs. 34,500 on 31/12/2009, Rs. 33,000 on 31/12/2010 and Rs.31,500 on 31/12/2011.

Pass necessary Journal entries in the books of Ram.

OR

Q4) a) From the following information of ABC Co. Prepare stock ledger by Weighted Average Method. (8)

> Receipts:

5) 01/04/13 Opening Stock 3000 Units @ Rs. 15.00
6) 06/04/13 Purchases 6000 Units @ Rs. 16.00
7) 12/04/13 Purchases 7500 Units @ Rs. 17.00
8) 17/04/13 Purchases 10500 Units @ Rs. 18.00

> Issues:

4) 07/04/13 Sales 5000 Units
5) 15/04/13 Sales 6500 Units
6) 20/04/13 Sales 7500 Units

Q4) B) On 1st Jan, 2012 Mr. 'A' has purchased a Car from Mr.B and paid Rs. 72,000 at the time of delivery. The cash price was Rs. 4,32,000.

The balance amount was paid in the following four instalments on the 31st December every year with interest @ 5% on cash price, Rs. 1,08,000 on 31/12/2012, Rs. 1,03,500 on 31/12/2013, Rs. 99,000 on 31/12/2014 and Rs.94,500 on 31/12/2015. Depreciation should be calculated @ 10%.

Pass necessary Journal entries in the books of Mr. 'B'.

Q5) State whether the following statements are Capital or Revenue Expenditure or Receipts

(7)

- 1) Salary paid to office staff Rs. 50,000.
- 2) Expenditure incurred in preparing project report.
- 3) Painting of Factory Building Rs.10,000.
- 4) Commission received on sales Rs.2,000.
- 5) Received Rs. 1,00,000 from sale of old Machinery.
- 6) Expenditure for training employees for better running of Machinery.
- 7) Purchase of Motor Car for Rs. 5,00,000.

OR

Q5) write short Note: (any 3)

(15)

- 1) Capital Receipts
- 2) Departmental Accounting
- 3) Hire Purchase
- 4) Manufacturing Account
- 5) Revenue Expenditure

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