

**Q.P. Code :00122**

**[Time:  $2\frac{1}{2}$  Hours]**

**[ Marks:75]**

Please check whether you have got the right question paper.

- N.B:
1. All Questions are compulsory carrying 15 marks each.
  2. Working notes should form part of your wherever applicable.

**Q.1) A) Select the correct alternative and rewrite sentence:- (ANY 8)**

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\_\_\_\_\_ is an explanation of the entry at the end of the entry.

- a) Posting      b) Journal Entry      c) Narration      d) Ledger

Drawing a/c is a \_\_\_\_\_ A/c.

- a) Personal      b) Real      c) Private      d) Nominal

A bank Reconciliation statement is prepared to reconcile the difference in \_\_\_\_\_.

- a) Only cash book      b) Only pass book      c) cash book & pass book      d) Neither of the three

\_\_\_\_\_ Accounting standards deals with accounting for revenue recognition.

- a) AS 9      b) AS 10      c) AS 6      d) AS 1

Revenue expenditure is \_\_\_\_\_ expenditure.

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

Under \_\_\_\_\_ method, depreciation is calculated on written down value.

- a) Scrap method      b) Straight line method      c) Reducing Balance      d) Fixed installment

Temporary difference in trial balance is transferred to \_\_\_\_\_ account.

- a) Suspense      b) Profit & Loss A/c      c) Compensating      d) Commission

Trial balance is a \_\_\_\_\_.

- a) A statement      b) A Subsidiary book      c) An Account      d) A reconciliation

Gross profit is transferred to the \_\_\_\_\_ A/c.

- a) Trading A/c      b) Profit & Loss A/c      c) Final A/c      d) None of the above.

IFRS \_\_\_\_\_ Deals with financial Instruments.

- a) 4      b) 6      c) 9      d) 12

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B) Match the following (ANY 7)

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| A                       | B                                       |
|-------------------------|---|
| 1) Machinery A/c        | a. Insurance contract                   |
| 2) Journal              | b. Depreciation Accounting              |
| 3) IFRS 4               | c. Debit note no                        |
| 4) Purchase Return book | d. A book of daily Records              |
| 5) AS-6                 | e. Capital expenditure                  |
| 6) Repairs to plant     | f. Real a/c                             |
| 7) Depreciation         | g. Recording same transaction two times |
| 8) Error of duplication | h. Revenue expenditure                  |
|                         | i. Fixed assets                         |

**Q.2) A) Journalise the following transactions in the books of SURYA for JAN. 2017.**

**07**

**Jan. 1** Started business with cash Rs.60, 000.

**Jan. 9** Paid Rent by cheque 7,000.

**Jan. 18** Sold goods worth Rs.40, 000 to Yash @10% T.D. & 5% C.D. & received cash immediately.

**Jan. 21** Deposited Rs.9, 000 in state bank of India.

**Jan. 27** Cheque received from Mr. Jay of Rs.10, 000 deposited into the bank but dishonored.

**Jan. 30** Paid Insurance Premium Rs.500.

B) **Prepare a Bank Reconciliation Statement of MOON as on 31<sup>st</sup> Jan, 2017 from the following particulars.**

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| Particulars   | Rs.    |
|---|--------|
| 1. Cheques banked but not cleared                   | 1,800  |
| 2. Cheques issued but not encashed                  | 1,400  |
| 3. Interest on Investments collected by bank        | 240    |
| 4. Interest on Overdraft charged by bank            | 150    |
| 5. Bank Charges entered in Pass book                | 15     |
| 6. Bank Overdraft as per cash book as on 31.12.2017 | 10,000 |
| 7. Balance Overdraft as per cash book on that date  | 10,325 |

**OR**

**Q.2) Enter Following transaction in a cash with cash, bank and Discount columns and balance the cash book.**

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**2017**  
**Jan.1.** Opening cash balance Rs.3,500

**1.** Bank Overdraft Rs.2000

**2.** Introduced further cash Rs.7,000 in the business

**4.** Deposited Rs.5,000 into the bank

**6.** Received a cheque from Maya for Rs.1,170 in full settlement of Rs.1,200

**7.** Issued a bearer cheque for children school fees Rs.2,000

**10.** Issued cheque of Rs.980 of Meena in full settlement of her a/c of Rs.1,000

**11.** Received a cheque of Rs.500 from Mona on account.

**12.** Endorsed Mona's cheque in favour of Leena to settle her a/c.



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- 14. Cash purchases Rs.800
- 18. Cash Sale Rs.700.
- 20. Purchased furniture worth Rs.2, 000 for office use & paid by cash.
- 24. Paid salaries Rs.700, Rent Rs.150, Commission Rs.200 in cash.
- 27. Bank collected divided Rs.100 and credited in our a/c.
- 31. Deposited all the cash in excess of Rs.1,000

Q.3 A) Prepare Personal Account of SIYA from the following transactions.

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| Date        | Particulars   | Rs.   |
|-------------|---|-------|
| <b>2017</b> |   |       |
| Jan.1       | Debit balance on Siya's a/c.                        | 1,000 |
| Jan.2       | Sold goods on credit to Siya                        | 5,400 |
| Jan.6       | Received from Siya                                  | 6,300 |
| Jan.7       | Allowed her discount                                | 100   |
| Jan.9       | Siya bought goods on credit                         | 1,500 |
| Jan.12      | Received cash from Siya                             | 1,450 |
| Jan.13      | Allowed her discount                                | 50    |
| Jan.15      | Purchased goods on credit from Siya                 | 1,040 |
| Jan.18      | Paid cash to Siya                                   | 500   |
| Jan.21      | Returned goods to Siya                              | 140   |
| Jan.31      | Paid cash to Siya in full settlement of her account | 390   |

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B) Mr. Goyal furnishes you with the following information.

- Opening Balance in Machinery Account Rs.1,00,000 on 1<sup>st</sup> Jan.2017.
- On 1<sup>st</sup> April, 2017; he purchased Machinery worth Rs.50, 000.
- On 1<sup>st</sup> May, Machinery purchased on 1<sup>st</sup> Jan, 2016; for Rs.50,000 was sold for Rs.40,000.
- On 1<sup>st</sup> Oct, Machinery purchased on 1<sup>st</sup> April.2017; was sold for Rs.47,500.
- Depreciate Machinery at 10% on W.D.V. basis machinery held for part of the year is depreciated for the time it is held.

Prepare Machinery Account for the year ended 31.12.2017.

OR

Q.3)

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State with reasons the nature of following Expenses/Receipts

- Gave Rs.1 lakh a custom duty on the machinery imported.
- Cost of re-painting the factory shed.
- A sum of Rs.99, 500 was spent for dismantling, removing & reinstalling plant, Machinery & Fixtures.
- Import duty on raw material purchased.
- Purchased machinery for Rs.15, 000.
- Legal expenses incurred in connection with issue of capital.
- Cost of Goodwill purchased.
- Heavy expenditure incurred on advertisements.

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**Q.4) A) Rectify the following errors.**

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- 1) Rs.3, 000 paid for purchase of typewriter charged to stationary account.
- 2) Wages paid Rs.1, 800 for erection of new Machinery were posted to wages A/c.
- 3) Paid Rs.150 for the purchase of a table fan posted purchase A/c.
- 4) An amount of Rs.400 received on account interest was credited to commission Account.
- 5) 100 shares of Oswal Oil Ltd purchased @Rs.50. Each not recorded in the books.
- 6) An amount of Rs.500 withdrawn by the proprietor for his personal use was debited to Sundry expenses A/c.

**B) Mr. Raj has prepared the following Trial balance on 31<sup>st</sup> March 2017. Kindly verify it and prepare a revised Trial Balance.**

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| Particular        | Dr.(Rs)         | Cr.(Rs)         |
|-------------------|-----------------|-----------------|
| Capital           | 1,50,000        |                 |
| Purchase          |                 | 1,16,000        |
| Sales             | 2,00,000        |                 |
| Goodwill          |                 | 1,00,000        |
| Machinery         |                 | 21,000          |
| Furniture         |                 | 19,000          |
| Sundry Expenses   |                 | 35,000          |
| Sundry Creditors  | 42,000          |                 |
| Office expenses   |                 | 10,000          |
| Interest received | 3,200           |                 |
| O/s Expenses      | 15,000          |                 |
| Opening Stock     |                 | 1,07,400        |
| Cash balance      |                 | 1,800           |
| <b>Total</b>      | <b>4,10,200</b> | <b>4,10,200</b> |

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Q.4)

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From the given Trial Balance of Hiralal, prepare manufacturing, Trading and Profit and loss account for the year ended 31.3.2017 and Balance sheet as at that date.

| Particular                    | Rs.             | Particulars                    | Rs.             |
|-------------------------------|-----------------|--------------------------------|-----------------|
| <b>Stock as on 1-4-16</b>     |                 | Capital of Hiralal             | 90,000          |
| Raw Material                  | 13,000          | Sales                          | 1,12,000        |
| Work in Progress              | 8,000           | Interest received              | 450             |
| Finished Goods                | 19,000          | Discount received              | 250             |
| Machinery (at cost)           | 40,000          | Creditors                      | 16,000          |
| Furniture (at cost)           | 18,000          |                                |                 |
| Drawing                       | 3,000           | <b>Prov. For Depreciation:</b> |                 |
| Debtors                       | 18,500          | On Machinery                   | 20,000          |
| Salaries                      | 3,820           | On Furniture                   | 10,000          |
| Factory insurance             | 1,070           |                                |                 |
| Balance with bank             | 13,500          |                                |                 |
| Cash on hand                  | 810             |                                |                 |
| Purchase of Raw Material      | 79,000          |                                |                 |
| Return inwards                | 390             |                                |                 |
| Wages                         | 8,500           |                                |                 |
| Direct manufacturing Expenses | 2,300           |                                |                 |
| Factory Rent                  | 2,500           |                                |                 |
| Office Rent                   | 2,200           |                                |                 |
| Power expenses                | 1,200           |                                |                 |
| Investment                    | 10,100          |                                |                 |
| Factory Lighting              | 760             |                                |                 |
| Office Lighting               | 1,200           |                                |                 |
| Carriage outwards             | 550             |                                |                 |
| Printing & stationery         | 1,000           |                                |                 |
| Bad debts                     | 300             |                                |                 |
| <b>Total</b>                  | <b>2,48,700</b> |                                | <b>2,48,700</b> |

**Adjustments:-**

- 1) Additional bad debts of Rs.500 are to be written off an RDD to be provided at 5% on Debtors.
- 2) Outstanding Office Rent Rs.200.
- 3) Depreciation Machinery at 10% p.a., Furniture at 15%p.a.
- 4) Closing Stock are ----Raw Material---Rs.2,000,  
W.I.P. --- Rs.16,330,  
Finished goods ---- Rs.28,000



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- Q.5) A) Explain the use of Computers in Accounting?  
B) Explain the need of the Accounting?

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OR

- Q.5) Write Short notes (any three) :-  
a) IFRS                      b) Computerised Accounting system                      c) Accrual aspect  
d) AS-6                      e) Objectives of Book-keeping

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