

Note: All Questions are compulsory.

Figure to the right indicates marks allotted to questions.

Q1(A) Fill in the Blanks (Any 8).

(8)

- 1) The process of recording a transaction in Journal is called as _____. (posting, Journaling, tallying, casting).
- 2) Real a/c are related to _____. (Assets, Debtors, Expenses, Liabilities).
- 3) If Sandeep sold goods for cash it will be recorded in _____. (Sales Book, Cash Book, Sandeep a/c, None of above).
- 4) An Expenditure is revenue in nature when it _____.
(It benefits the current period, it benefits the future period, it belongs to the previous period, None of above).
- 5) Depreciation is related to _____. (Current Assets, Investments, Fixed Assets, Fictitious Assets).
- 6) A Trial Balance is a _____. (Real a/c, Nominal a/c, Personal a/c, List of balances).
- 7) Closing Stock of Finished Goods will appear in _____. (Profit & Loss A/c, Trading A/c, Manufacturing A/c, None of above).
- 8) Capital is _____. (Asset, Loan, Liability, Bank).
- 9) Goodwill is an example of _____. (Deferred Revenue, Expenditure, Intangible Asset, Current Asset, Fixed Asset).
- 10) System of recording transactions based on dual concepts is called _____.
(Single Entry System, Cash System, Double Entry System, None of above).

Q1 (B) State True or False. (Any 7)

(7)

- 1) Bookkeeping is related to recording of Financial data.
- 2) Incomes are debited.
- 3) The Balance of Cash Book is always debit.
- 4) Sales Book is used to record all Cash Sales.
- 5) The installation Expenses for New Machinery is debited to Repairs a/c.
- 6) Computers are examples of Fixed Assets.
- 7) Cash Book does not record credit Purchases.
- 8) Debtors are examples of Current Assets.
- 9) Loan taken by Company is a liability.
- 10) As per Materiality Concept only significant financial transactions must be recorded.

Q2 Journalise the following transactions

(15)

Year 2008

- Mar 1 Started Business with cash Rs20,000.
Mar 5 Deposited Rs5,000 in SBI.
Mar 10 Goods sold to Motorola for Cash Rs9,000.
Mar 15 Purchased Goods of Rs20,000 from Ericson on credit.
Mar 20 paid wages Rs200
Mar 22 Sold machinery to Siemens for Rs1,000.
Mar 27 Withdrew Rs 500 from SBI for personal use.
Mar 28. Received Rs12,000 as Dividend.

Or

Q2 Enter the following in a Cash Book with Cash & Discount Column. (15)

2008	
Apr1	Opening cash balance Rs24,000
Apr2	Borrowed Rs20,000 from SBI for Business purpose.
Apr3	Bought goods for Rs16,000 @10% CASH discount.
Apr5	Sold Goods to Sadanand for CashRs10,000 & allowed Cash Discount 10%.
Apr7	Purchased Goods for rs5,000
Apr8	Received from Virendra Rs1890 & allowed him Discount Rs60.
Apr9	Received from Kishore Rs6000.
Apr15	Received from Kishore Rs980 in full settlement of rs1000.
Apr24	Paid salary Rs1,500
Apr28	Paid Audit Fees Rs1,000.

Q3.Describe the following as capital or Revenue Expenditure with appropriate reason (15)

- Rs20,000 has been spent due to negligence of workers.
- Rs5,000 has been spent on worn out parts.
- Rs10,000 has been spent on installing new devices which will increase efficiency.
- Rs2,000 paid to technical consultants to advise the company as to how the machine can be maintained in normal working condition.
- Legal fees to acquire Property Rs7000.
- Heavy advertising Expenditure to introduce new products in the Market Rs1,00,000.
- Import duty on raw material purchased Rs2,000.

Or

Q3(A) Prepare bank Reconciliation Statement from the following particulars on 31.03.2008. (8)

2008	
Apr1	Balance as per Cash Book Rs12,000
Apr2	Cheques deposited but not cleared Rs5,000
Apr3	Cheques issued but not presented for payment Rs4,000

Apr4	Bank Charges debited by Bank rs200.
Apr5	Dividend Collected by bank but not entered in Cash Book Rs700.
Apr30	Balance as per pass Book Rs11,500

Q3(B) State reasons for the difference in Balances between Pass Book & Cash Book. (7)

Q4. Anil purchased following Plant & machinery on various dates. (15)

1/4/2006	Rs50,000
1/4/2007	Rs60,000
1/4/2008	Rs60,000

He writes off depreciation on Straight Line Method which is 10% per annum. He sold machinery bought on 1/4/2007 for Rs55,000 on 1/10/2008. Prepare machinery A/C in the ledger of Anil for the year 2006, 2007, 2008. financial year is from 1st Apr. to 31st Mar.

Or

Q4. Prepare Trial Balance in the Book of Mr ABC on 30th Nov 2010. (15)

Particulars	Amount
Capital	1,00,000
Loan from bank	2,00,000
Purchases	3,00,000
sales	4,00,000
Purchase returns	50,000
Opening Stock	50,000
Bank Overdraft	80,000
Petty Cash	1,500
Carriage Inward	2,000
Prepaid Expenses	1,000
Outstanding Expenses	2,000
Income received in Advance	3,000
Income earned but not received	5,000

Discount to Debtors	600
Discount from Creditors	700
Drawing	12,000
Assets	2,58,600
Depreciation	2,000
Bad Debts	3,000
Investments	2,00,000

Q5 (A) From the following Trial balance of Mr. ABC & additional Information prepare Manufacturing A/c, Trading A/c, Profit & Loss A/c & Balance Sheet for the year ended 31st Mar 2018.
(15)

Particulars	Amt(Rs)	Particulars	Amount(Rs)
Stock(Opening)		Capital	90,000
Raw material	13,000		
WIP	8,000		
Finished Goods	19,000		
machinery(cost)	40,000	Sales	1,12,000
Furniture	18,000	Interest Received	450
Drawing	3,000	Discount Received	250
Debtors	18,500	Creditors	16,000
Salaries	3,820	Provision for Depreciation	
		On Machinery	20,000
		On Furniture	10,000
Factory Insurance	1,070		
Bank	13,500		
Cash in hand	810		
Purchase of Raw Material	79,000		
Return Inwards	390		
Wages	8,500		
Direct Manufacturing Expenses	2,300		

Rent	4,700		
Investment	10,100		
Power Expenses	1,200		
Factory Lighting	1,960		
Carriage Outwards	550		
Printing & stationery	1,000		
Bad Debts	300		
	2,48,700		2,48,700

Additional Information:

- a) Additional Bad Debts to be provided Rs500.
- b) Depreciate Machinery at 10% p.a & Furniture 15% p.a.
- c) Closing Stock: Raw material-Rs2,000
WIP-----Rs16,330
Finished Goods-Rs28,000

Or

Q5(p) Write short notes (on any 3)

15

- a) Going Concern Concept
- b) Convention of Disclosure
- c) Persons interested in accounting
- d) Assets
- e) Objectives of Accounting