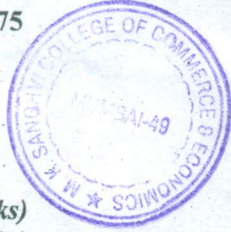


Time: 2 ½ hours

10/11/22

Marks: 75



Note: 1. All questions are compulsory with internal choice.

2. Figures to the right indicate marks.

3. Use of simple calculator allowed

Q1. Objective Questions:

(15 marks)

Q 1 (A) Choose the correct word and rewrite the entire sentence (Any 8)

(8 marks)

1. A person who owes the amount to the business: _____
a. Debtor b. Creditor c. Trader d. Buyer
2. Amount invested into business: _____
a. Drawings b. Capital c. Loan d. Bad Debts
3. An account is always divided into _____ sides
a. three b. four c. left/right d. two
4. The _____ accounts are of people
a. goods b. asset c. personal d. liabilities
5. A credit sales of goods to Dinky should be credited to _____ account
a. Goods b. Dinky's c. Cash d. Sales
6. _____ discount is not recorded in the books of accounts.
a. cash discount b. business discount c. bad debts d. trade discount
7. In _____ book you record credit purchases of goods.
a. Sales book b. Cash book c. Purchase book d. Purchase book
8. Writing of transaction in the ledger is called _____
a. Casting b. Balancing c. Journalizing d. Posting
9. In reducing Balance Method the amount of depreciation is _____, year after year.
a. reduces b. changes c. increases d. remains constant
10. Under Fluctuating Capital Method, all the adjustments relating to partner's are made in _____
a. Partner's Capital Account b. Partner's Current Account
c. Partner's Loan Account d. Adjustment Account

Q.1.(B) Match the Columns: (Any 7)

(7 marks)

Column A	Column B
1. Machinery Account	a. Personal Account
2. Interest Account	b. Payments
3. Rahul Account	c. Nominal Account
4. Left hand side of the account	d. Receipts
5. Right hand side of the account	e. Debit side
6. Balance as per Cash Book	f. Real Account
7. Balance as per Pass Book	g. Credit side
8. Amount on the credit side of the Cash book means	h. Debit Balance
9. Entries on the debit side of the Cash Book means	i. Credit Balance
10. Dealing with two or more persons	j. Transaction

Q 2 A Journalize the following transactions in the books of Mr. Mehta

(8 marks)

2020	Particulars
Aug. 1	Purchased goods from Mohan ₹ 11,000 at 12% TD
4	Sold goods on credit to Sohan for ₹ 15,000 at 10% TD and received 50% amount by cash and remaining 50% by cheque and allowed 6% cash discount
8	Goods worth ₹ 400 being defective returned by Sohan
10	Remitted cash to Mihir ₹ 10,600 and received discount ₹ 400
19	Placed an order with M/s Mahavir & sons for supply of goods ₹ 10,000
21	Purchased a horse for ₹ 8,000 and a dog for ₹ 2,000
24	Withdrew from bank ₹ 4,000 for personal use
31	Paid for conveyance expenses ₹ 1,000

Q 2 B Enter the transactions of Mr. Tejas in a cash book for the month of October, 2011. (7 marks)

2021	Particulars
October 1	Cash balance ₹ 25,000 and bank balance ₹ 18,000
3	Paid for printing and stationery ₹ 7,400
10	Deposited cash into bank ₹ 5,000
17	Withdrew from bank for office use ₹ 8,000
20	Received bearer cheque from Abhay ₹ 5,400
22	Paid legal charges ₹ 2,600 by cheque
27	Cheque received from Abhay deposited into bank for collection

OR

Q 2 C From the following ledger balances prepare Trial Balance of M/s Sunflower Ltd. as on 31st March, 2019 (15 marks)

Particulars	Rs	Particulars	Rs
Capital	50,000	Plant & Machinery	8,000
Insurance	3,600	Drawings	4,000
Motor Van	5,400	Stock (1-4-2018)	14,000
Cash at Bank	1,200	Wages	2,800
Debtors	13,000	Purchases	10,500
Creditors	5,000	Land & Building	10,500
Office expenses	1,700	Carriage inward	1,400
Rent, rates & taxes	2,300	Reserve for doubtful debts	500
Sales	28,500	Outstanding expenses	400
Salaries	5,000	Bad debts	1,000

Q 3 A On 1st April, 2008 M/s Shrikant Ltd. purchased machinery for ₹ 70,000. On 1st October, 2008 additional machinery was purchased for ₹ 10,000. On 31st March, 2011 they sold machinery purchased on 1st October, 2008 for ₹ 6,000. The accounts were closed on 31st March every year and depreciation were provided @ 10% p.a. by W.D.V. Method. Prepare machinery account for 3 years ending 31st March, 2011. (15 marks)

OR

Q 3 B Classify the following into Capital, Revenue and Deferred Revenue Expenses. (7 marks)

- Fine levied for parking the vehicle in no parking area
- Repairing charges for keeping the machinery in working condition
- Carriage inwards/ freight for bringing furniture
- Legal expenses paid in connection with purchase of land
- Custom duty on the machinery imported.
- Construction of a platform for the installation of machinery imported from abroad.
- Purchased umbrellas and raincoats for employees
- Heavy current repairs for roof of factory building

Q 3 C Prepare Bank Reconciliation Statement as on 31st October 2016.

(8 marks)

The Bank column of a Cash Book showed a debit balance of Rs 49,000 on 31st October, 2016. While comparing book balance with the pass book balance the following differences were noticed.

1. Cheques worth Rs 9,000 deposited and Rs 15,000 deposited but were not collected and credited by bank
2. Out party directly deposited Rs 8,000 into bank account. No entry of the same was passed in cash book.
3. Bank credited interest on investments Rs 500
4. Bank paid insurance premium Rs 6,000 but the same was not entered into Cash book
5. Cheques of Rs 10,000 issued but not presented for payment to the bank
6. Bank debited bank charges Rs 100



Q 4 A From the following Trial Balance of M/s Perception Trading Co, prepare Trading and Profit & Loss account for the year ended on 31st March 2019 and Balance Sheet as on that date

Particulars	Debit (Rs)	Credit (Rs)
Land and Building	1,66,000	
Capital : Raja		60,000
Rani		40,000
Wages	39,000	
Machinery	48,000	
Cash	2,475	
Purchases	1,61,600	
Salaries	10,700	
Opening stock	56,000	
Debtors and Creditors	42,000	32,000
9% Bank loan		25,000
Rent, rates and taxes	1,600	
Insurance	1,500	
Bills receivable	2,000	
Interest on bank loan	1,1,25	
Drawings: Raja	8,000	
Rani	6,000	
Sales		3,89,000
	5,46,000	5,46,000

Following further information is also supplied:

1. Interest on bank loan is paid only upto 30th September, 2018
2. Closing stock on 31st March, 2019 was Rs 90,000
3. bad debts is written off Rs 2,000
4. Depreciation to be provided on machinery @ .15%
5. Outstanding wages are Rs 3,000

The partnership provided:

1. Interest on capital @ 10% p.a.
2. Salary: Raja Rs 500 per month and Rani Rs 375 per month
3. Profit and Losses to be shared equally

OR

Q 4 B From the following trial balance of Shri Rajaram and the additional information given below that, you are required to prepare Trading a/ c and Profit & Loss a/c for the year ended 31st March, 2017 and the Balance Sheet as on that date, after making the necessary adjustments: (15 marks)

Particulars	Debit Rs	Credit Rs
Wages and salaries	6,000	-
Sales: Cash	-	8,000
Sales: Credit	-	18,000
Capital account	-	34,000

Drawings	2,000	-
Purchases	18,000	-
Sales return	300	-
Office furniture	4,000	-
Buildings	12,000	-
Office expenses	800	-
Advertisement	500	-
Discount earned	-	340
Opening stock	5,000	-
Rent, rates and taxes	400	-
Commission	200	-
Purchase return	-	460
Bills receivable	800	-
Travelling expenses	250	-
Trade expenses	350	-
Bad debts	190	-
Provision for doubtful debts	-	1,500
Sundry creditors	-	2,800
Sundry debtors	11,000	-
Cash in hand	1,800	-
Bank overdraft	-	1,300
Postage	50	-
Freight on purchases	210	-
Investments	2,000	-
Income from investments	-	250
Fuel and power (factory)	800	-
	66,650	66,650

Adjustments:

- i. Closing stock was valued at Rs 8,200
- ii. Rent of Rs 120 was outstanding
- iii. Provide 5% provision for doubtful debts
- iv. Depreciation to be provided on building and furniture at 10%.
- v. Interest accrued but not received was Rs 50

Q 5 A What is Book-keeping? State the importance of book keeping.

(8 marks)

Q 5 B Difference between Capital Receipt and Revenue Receipt

(7 marks)

OR

Q 5 C Short Notes (Any 3)

(15 marks)

1. Need for Depreciation
2. Fixed Instalment Method
3. Difference between Double Entry System and Conventional System
4. Going Concern and Cost Concept
5. Advantages of Double -entry Book keeping