

10/11/22

Time: 2 ½ Hours

Total Marks: 75

N.B: 1) All questions are compulsory with internal choice

2) Figures at right indicates full marks for question.

3) Use of simple calculator is permitted.

4) Working notes should form part of your answer.



**Q1.(a) State whether True or False and rewrite the statement.(any 8)**

**(8)**

- i. CAS gives instant report for management.
- ii. Book keeping records all business matters.
- iii. Accounting standard AS-10 deals with revenue recognition.
- iv. Only credit transactions are record in cash book.
- v. Contra entry will be appeared one side of cash book.
- vi. Outstanding expenses are recorded in assets side of balance sheet.
- vii. Depreciation increase value fixed assets.
- Viii. Capital expenditure is recurring in nature.
- ix. Machinery is an intangible asset.
- x. Under RBM depreciation amount is differ every year.

**(b) Match the column A with appropriate option in column B and rewrite the statement: (any 7)**

**(7)**

Column 'A'	Column 'B'
a. AS-6	i. Trial balance
b. Contra entry.	ii. Amount of depreciation is constant
c. Good will	iii. Short term benefits
d. IFRS	iv. Net loss
e. FIM	v. Appear both side of cash book
f. Dr. bal of profit and loss accounts	vi. International financial reporting standard
g. Drawing	vii. Subsidiary book
h. Revenue expenditure	viii. Intangible assets
i. List of debit and credit balances	ix. Depreciation Accounting
j. Journal proper	x. Less from capital

**Q.2. Journalise the following transactions:**

**(15)**

2014

August 1. Raju commenced business with cash Rs. 5,000, Goods worth Rs. 10,000 and Building Rs. 7000.

1. Purchased goods worth Rs. 5,000 less 10% trade discount from Mr. Sawant.
3. Sold goods worth Rs. 9,000 less 15% trade discount to Mr. Dekhe.
5. Received cash Rs. 590 from Mr. Mayur and allowed him discount of Rs.10.
8. Paid Rs 660 to Mr.Royal after deducting Rs. 40 as discount.



11. Purchased goods worth Rs. 500 for cash on 5% cash discount terms.
13. Sold goods worth Rs. 600 for each on 5% cash discount terms.
16. Sold goods to Monica Rs. 10,000
18. Monica returned goods of Rs. 1,000
21. sold goods of Rs. 5,000 to Ridhika @ 10% trade discount.
23. Purchased goods of Rs. 10,000 from Naren on credit @ 10% trade discount.
24. Received interest Rs. 150.
27. paid office rent Rs. 600
29. Received from A Rs. 1,800 after allowing him a discount of Rs. 200

**OR**

**Q.2.** From the following transactions in suitable cash book with cash and bank columns for the month of March, 20120. (15)

	₹
2020 March 1. Balance in hand	5,000
2. Balance at Bank	15,500
5. Issued a cheque to Mr. D for salary	1,000
7. Received a cheque from Mr. P	500
9. Issued a Cheque for cash withdrawn for office use	1,000
11. Issued a Cheque for private use	500
12. Received bearer cheque from Mr. R	300
13. The above cheque was cashed at the Bank counter.	
15. received crossed cheque from Mr. M and deposited in the Bank.	800
17. Issued cheque to Mr. L	1,000
18. "Stop Payment" order was served to the Bank as the above cheque was lost by Mr. L	
22. cheque Issued to Mr. C our creditor	750
25. Sold goods and received cash Rs. 300 and cheque Rs. 700	

**Q.3.** State with reasons whether the following items of Expenditure are Capital or Revenue: (15)

- a) A new machinery was purchased for Rs. 80,000 and a sum of Rs. 1,000 was spent on its installation and erection.
- b) Premium paid on the redemption of debentures.
- c) Commission paid on redemption of debentures.
- d) Commission paid on issue of debentures
- e) Cost of air-conditioning the office of the director of a company.
- f) Damages paid on account of the breach of contract to supply certain goods.
- g) Cost of replacement of an old and worn out part of machinery.

**OR**

**Q.3** The balance as per cash book of Rajesh on 31-12-2014 is Rs. 10,815. This balance does not tally with the balance shown in the pass book. On comparison of pass book and cash book the following causes of differences are available. Prepare bank reconciliation statement and find out balance as per pass book. (15)

1. cheques received from customers and deposited in the bank were not credited in the passbook to the tune of Rs.1000.
2. Bank has credited interest in investments, Rs. 750, which is not recorded in cash book.
3. Creditors were given cheques for payment of which the following creditors have not presented to the bank: Ramchandra Rs. 900, Shyamchandra Rs. 1,200.



4. One debtor deposited Rs.750 in the bank account of Rajesh of which Rajesh had no information.
5. Bank has credited Rs. 250 for interest and it has debited Rs.150 for bank charges in the pass book.
6. A cheque deposited amounting to Rs. 1,000 is dishonoured. Bank has debited the amount of the cheque and Rs. 15 for its charges.

**Q.4.** From the following Trial Balance of Deep enterprises, prepare Manufacturing, Trading, and Profit & Loss account for the year ended 31<sup>st</sup> March 2013 and balance sheet on that date.

(15)

Particulars	Amt	Particulars	Amt
Drawings	30,000	Capital	5,00,000
Managers salary	6,000	Sundry creditors	1,00,000
Cash in hand	2,000	Loan	80,000
Cash at bank	35,000	Reserve for Bad debts	6,000
Sundry Debtors	95,000	Purchase returns	7,000
Patents	4,000	Sales	2,64,000
Plant and machinery	1,00,000		
Land & Buildings	2,00,000		
Extension to buildings	20,000		
Legal charges for acquisition of Buildings	5,000		
Purchases of raw materials	1,00,000		
Raw Materials(1-1-2013)	40,000		
Work-in-Progress(-1-2013)	75,000		
Finished Goods (1-1-2013)	95,000		
Carriage inwards	8,000		
Wages and salaries	90,000		
Factory expenses	8,000		
Factory rent and rates	10,000		
Office expenses	5,000		
Printing & Stationery	10,000		
Discount	6,000		
Advertisement	5,000		
Bad debts	4,000		
Goodwill	4,000		
	9,57,000		9,57,000

Adjustments:

- i. On 31-12-2013 stocks were valued as Raw Materials Rs. 50,000; Work-in-progress Rs.80,000; and Finished Goods Rs.1,00,000.
  - ii. Outstanding expenses- Advertisement Rs 500 and Printing Rs.300.
  - iii. Prepaid wages and salaries Rs. 1000
  - iv. Depreciate: Plant & machinery at 10% and patents at 20%.
  - v. Reserve for bad debts Rs 3,000.
- Interest on loan of Rs 1,000 is still unpaid.



OR

3



(7)

**Q.4.A)** Deepak Manufacturing Company purchased on 1<sup>st</sup> April,2010, Machinery for Rs. 2,90,000 and spent Rs. 10,000 on its installation. After having used it for three years it was sold for Rs. 2,00,000. Depreciation is to be provided every year at the rate of 15% per annum on the straight line method. Pass the necessary journal entries, prepare Machinery account and Depreciation account for three years ends on 31<sup>st</sup> March every year.

**Q.4 B)** Prepare a Trial Balance from the following list of balance extracted as on 31-3-2014. (8)

Particulars	Amt	Particulars	Amt
Purchases	21,655	Travelling expenses	500
Machinery	15,000	Building	25,000
Capital	50,000	Drawings	4,800
Debtors	12,700	Sundry Creditors	4,255
Purchase returns	1,333	Bank balance	8,000
Salaries	1,350	Discount received	1,600
Loans payable	1,360	Carriage	448
Wages	450	Insurance	420
Bank loan	1,800	Office expenses	790
Cash	820	Commission received	2,745
Furniture	2,500	Opening stock	3,600
Sales	35,000		

**Q.5.A)** Limitation of Computerised Accounting System (8)

**B)** Advantages of Computerised Accounting System (7)

OR

**Q.5.** Write a short note: (any 3) (15)

- i. Personal A/c.
- ii. Reducing Balance Method
- iii. Manufacturing Account.
- iv. Accounting Standard.
- v. Deferred Revenue Expenditure