

AT 19,

Time: 2 ½ hours

Marks: 75

- Note: 1. All question are compulsory.
 2. Figures to the right indicate full marks.

Q1. (A) State whether the following are true or false: (Any 8) (8)

1. Cash A/c always has debit balance.
2. Commission received is a nominal account.
3. Cash deposited into the bank is contra entry.
4. Sales book is a subsidiary book.
5. Only all cash purchase of goods are recorded in purchase book.
6. Amount withdrawn from business for personal use is called capital.
7. Trade discount is not recorded in books of account.
8. Creditors are liability.
9. Revenue expenditures are recurring in nature.
10. Mr. Ganesh is a personal account.

(B) Match the following: (Any 7) (7)

A	B
1) Assets	a) Real A/c
2) Liabilities	b) Depreciation
3) Fixed Assets	c) Intangible assets
4) Debtors	d) Record daily transaction
5) Goods	e) Tally
6) Capital Receipt	f) Credit balance
7) Journal	g) Record only cash transaction
8) Simple Cash book	h) Debit balance
9) Goodwill	i) Non Recurring
10) Balance Sheet	j) Bad debt

Q2.A) Give journal entries for the following transactions: (8)

2018	Particulars	Rs
July 1	Started Business with cash	10,000
July 3	Goods purchased for cash	5,000
July 5	Goods sold for cash	7,000
July 7	Typewriter purchased for cash	4,500
July 9	Sold old furniture for cash	1,000
July 11	Rent paid in cash	700
July 13	Commission received in cash	1,100

Q2.B) You are required to prepare the Plant and Machinery A/c in the ledger book of Jaddu Ltd. on the basis of following information for 31st December, 2017. (7)

Date	Transaction
1 st Jan, 2017	Opening Balance of Plant and Machinery Rs. 20,000
10 th Feb, 2017	Plant and Machinery purchase from Patlu Ltd, on credit Rs.50,000
20 th March, 2017	Plant and Machinery from Motu Ltd, on cash basis Rs.1,40,000
10 th Nov, 2017	Old plant and machinery sold for Cash (Costing Rs.36,000) for Rs. 28,000
20 th Nov, 2017	Plant and machinery withdrawn from business for personal use Rs.10,000
10 th Dec, 2017	Plant and machinery brought by the owner Rs. 16,000

OR

Q2. Enter the following transactions in a three column cash book. (15)

January 2016	Particulars	Amount (Rs.)
1	Capital introduced (in cash)	40,000
4	Paid into bank	40,000
5	Purchased goods by cheque	5,000
6	Received a cheque from Mohan	10,000
	Allowed discount	500
10	Cash sales	35,000
12	Paid into bank	15,000
15	Gopi paid by cheque	15,000
	Discount received	500
20	Paid salaries by cheque	5,000
25	Withdrew for office use	10,000
31	Draw a cheque for personal use	2,500

Q3.A) Jyoti Ltd purchased machinery Rs. 80,000 on 1st April 2015. In the same year on 1st October additional machinery costing Rs. 20,000 was purchased. On 1st October 2017 the machinery purchased on 1st April, 2015 became obsolete and was sold for Rs. 62,000. On 1st January, 2018 a new machine was also purchased for Rs. 30,000. (7)

Depreciation was provided annually on 31st March at the rate of 10% per annum on straight line method. Prepare machinery a/c for three years ending on 31.03.16, 31.03.17 and 31.03.18.

Q3.B) Prepare for Mr. Star a Bank Reconciliation Statement from the following details. (7)

Particulars	Rs.
Balance as per cash book on 31 st December, 2008	5,000
Cheques issued but not encashed	8,000
Interest credited by the bank, but not recorded in cash book	140
Direct deposit into our Bank A/c. by Mr. Kamran a customer	750
Bank charges debited by bank only	20
Cheque deposited but not cleared	4,000
Direct payment for telephone bill by bank as per standing instructions	480
Balance as per pass book	9,390

14/08/19
(17)

A7 19.

108

OR

Q3. State with reasons which of the following expenses are capital or revenue. (15)

1. Expenditure incurred on overhauling machinery.
2. Taxes paid.
3. Wages paid to the workers for erection of new machinery.
4. Cost of goodwill purchased.
5. Heavy expenditure incurred on advertisements.
6. Cost of construction of a building.
7. Purchase machinery Rs. 50,000.

Q4.A) The following balances appear in the books of Ms. Sonal on 30th September, 2017. Prepare her trial balance. (08)

Particulars	Rs.
Capital	1,00,000
Loan from Bank	2,00,000
Purchases	3,00,000
Sales	4,00,000
Purchases Return	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
Drawings	12,000
Assets	2,58,000
Depreciation	2,000
Bad Debts	3,000
Investments	2,00,000

Q4.B) Rectify the following errors. (07)

1. Rs.30,000 paid for purchase of Computer charged to stationery account.
2. Wages paid Rs.1,500 for erection of new machinery were posted to wages A/c.
3. Paid Rs.15,000 for the purchase of a Furniture posted to purchase A/c.
4. An amount of Rs.500 received on account of interest was credited to salary account.
5. An amount of Rs.1,500 withdrawn by the proprietor for his personal use was debited to commission A/c.

OR

(1)

Q4. The Trial balance of Mrs. Deepali as on 31st December, 2017 was as follows.

Debit Balance	Rs.	Credit Balance	Rs.
Raw Material	23,000	Sundry Creditors	17,000
Work in progress	10,000	Bills Payable	8,500
Finished Goods	15,500	Sales of Scrap	1,500
Sundry Debtors	27,000	Commission	400
Carriage Inwards	1,000	Bank overdraft	1,600
Carriage outwards	1,000	Deepali's Capital A/c	1,00,000
Bills Receivable	16,000	Sales	2,00,000
Wages	12,000		
Salaries	10,000		
Repairs of Plant	1,200		
Repairs of Office Furniture	600		
Purchase	1,00,000		
Cash at Bank	2,300		
Plant and Machinery	90,000		
Office Furniture	9,000		
Rent	5,000		
Lighting Expenses	1,800		
Factory Insurance	2,000		
General Expenses	1,600		
	3,29,000		3,29,000

Following additional information is provided to you.

- Closing stock as on 31st December, 2017 was Raw material Rs.15,800, Finished Goods Rs.18,200 and Work in progress Rs.7,000.
- Outstanding salary was Rs.2,000 and outstanding wages was Rs.1,500.
- Depreciation is to be written off on machinery at 10% p.a. and on furniture at 5% p.a.
- Prepaid lighting expenses were Rs.800.

Prepare Final Account.

Q5. a) What are objectives of Accounting? (8)

Q5. b) What are the importance of a computerized accounting system? (7)

OR

Q5. Write short notes on: (Any 3) (15)

- AS 10: Accounting for Fixed Assets.
- IFRS.
- Balance Sheet.
- Distinguish between Capital Receipt and Revenue Receipt.
- Bank reconciliation statement.
