

Duration: - 2 ½ Hours

E210NFA

Marks:- 75

Note :-

1. All Questions are Compulsory.
2. Figure to the right indicates full marks.
3. Use of Simple Calculator is allowed.

Q1.A) Select the correct alternative and rewrite the sentence :-

(Any 8)

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1. IFRS \_\_\_\_\_ deals with financial instruments.  
a) 4                      b) 6                      c) 9                      d) 12
2. Gross Profit is transferred to the \_\_\_\_\_.  
a) Trading A/c                      b) Profit and Loss  
c) Final A/c                      d) Balance Sheet
3. Trial balance is a/ an \_\_\_\_\_.  
a) Statement                      b) Subsidiary book  
c) Account                      d) Reconciliation
4. Temporary difference in trial balance is transferred to \_\_\_\_\_ account.  
a) Suspense                      b) Profit and Loss  
c) Compensating                      d) Commission
5. Under \_\_\_\_\_ depreciation is calculated on written down value  
a) Scrap method                      b) Straight line method  
c) Reducing Balance method                      d) Fixed installment method
6. Revenue expenditure is \_\_\_\_\_ expenditure.  
a) Abnormal                      b) Recurring  
c) Non-recurring                      d) Wasteful
7. \_\_\_\_\_ Accounting standards deals with accounting for revenue recognition.  
a) As9                      b) As10                      c) As6                      d) As1
8. A Bank Reconciliation Statement is prepared to reconcile the difference in \_\_\_\_\_.  
a) Only cash book                      b) Only passbook  
c) Cash book and pass book                      d) Subsidiary book
9. Drawing a/c is a \_\_\_\_\_ A/c.  
a) Personal                      b) Real                      c) Private                      d) Nominal
10. \_\_\_\_\_ is an explanation of the entry given at the end of the entry.  
a) Posting                      b) Journal Entry                      c) Narration                      d) Ledger

Q.1B Match the following (any 7)

GROUP 'A'

1. Machinery A/c
2. Journal
3. IFRS 4
4. Purchase Return book
5. As-6
6. Repairs to plant
7. Depreciation
8. Error of Duplication

GROUP B

- a) Insurance Contracts
- b) Depreciation accounting
- c) Debit Note
- d) A book of daily records
- e) Capital expenditure
- f) Real A/c
- g) Revenue expenditure
- h) Fixed asset
- i) Recording same transaction two times

Q2. Journalise the following transactions in the books of Aakash Traders and prepare Cash Account

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1. Aakash started business with cash ₹50,000. Cash at Bank of India

September 3 Purchased goods from Rohit worth `10,000 less 10% T.D.  
 September 7 Sold goods to sunil `5,000 less 5% T.D.  
 September 10 Deposited cash with Bank of India `5,000  
 September 12 Purchased furniture from varma on credit worth `20,000  
 September 15 paid to varma by net banking `8,000  
 September 17 Paid printing expenses `200  
 September 20 Received commission `200  
 September 25 Withdrew cash from Bank `1000 by ATM.  
 September 28 Paid to Varma `11500 in full settlement of his account.  
 September 30 Paid Advertisement bill `500

OR

Q.2 Enter the following transactions in a cash book with cash, bank and Discount columns and balance the cash book:-

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Date	Particulars
January 2022	
1	Opening cash balance of Rs. 3,500
1	Bank overdraft Rs. 2,000
2	Introduced further cash Rs. 7,000 in the business.
4	Deposited Rs. 5,000 in to the bank
6	Received a cheque from Maya for Rs. 1170 in full settlement of Rs. 1,200
7	Issued a cheque of Rs. 980 to meena in full settlement of her account of Rs. 1,000
10	Issued a bearer cheque for children fees Rs.2,000
11	Received a cheque of Rs. 500 from Mona on account.
12	Endorsed Mona's cheque in favor of Meena to settle her account
14	Cash purchases Rs. 800
18	Cash Sales Rs. 700
20	Purchased Furniture worth ` 2,000 for office use and paid by cash.
24	Paid salaries Rs.700, Rent Rs. 150, Commission Rs. 200 in cash.
27	Bank collected dividend Rs.100 and credited in our account.
31	Deposited all the cash in excess of Rs. 1,000

Q.3 Desai made Furniture for his own office on 1<sup>st</sup> October, 2010 for this he had spent Rs. 54,000 on materials and Rs.24,000 on wages. He estimated the life of the Furniture to be 10 years. He also estimated that expected scrap value at the end of its life would be Rs. 18,000 He closed his books of accounts on 31<sup>st</sup> March every year, showed the furniture account and pass the journal entries also of Desai for the years ended on 31<sup>st</sup> March, 2011, 31<sup>st</sup> March 2012, 31<sup>st</sup> March 2013, 31<sup>st</sup> March 2014.

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OR

Q3.A Rectify the following errors :-.

- Rs. 3,000 paid for purchase of typewriter charged to stationery account.
- Wages paid Rs. 1,800 for erection of new machinery were posted to wages A/c.
- Paid Rs.150 for the purchase of a table fan posted to purchase A/c.
- An amount of Rs. 400 received on account of interest was credited to commission Account.
- 100 shares of Oswald oil Ltd. Purchased @Rs.50 Each not recorded in the books.
- An amount of Rs. 500 withdrawn by proprietor for his personal use was debited to sundry expenses A/c.
- Sold old Furniture on credit for Rs. 250 passed through the pay (sales) book.

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Q3B. 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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Particulars	Debit (Rs.)	Credit (Rs)
Capital	1,50,000	-
Purchase		1,16,000
Sales	2,00,000	
Goodwill		1,00,000
Machinery		21,000
Furniture		19,000
Sundry Debtors		35,000
Sundry Creditors	42,000	
Office Expenses		10,000
Interest received	3,200	
Outstanding Expenses	15,000	
Opening stock		1,07,400
Cash balance		1,800
Total	4,10,200	4,10,200

Q4 Trial Balance of shri karodimal, Prepare Manufacturing account, trading and profit and Loss account for the year ended 31<sup>st</sup> March, 2014 and the Balance sheet as on that date:-

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Debit	Amount	Credit	Amount
Drawings	36,000	Capital	4,50,000
Goodwill	40,000	Sundry Creditors	1,25,000
Plant & Machinery	2,00,000	Bank loan	75,000
Land & Buildings	1,20,000	Reserve for	
Cash & Bank balance	37,000	Bad Debts	5,500
Sundry Debtors	59,000	Sales	3,24,000
Patents	9,000	Discount	3,500
Salary to Manager	16,000	Returns outward	6,500
Purchase of Raw Materials	1,50,000		
<b>Opening stock</b>			
- Raw Materials	35,000		
- Work in Progress	60,000		
- Finished goods	90,000		
Carriage inward	10,000		
Wages and Salaries	75,000		
Factory expenses	12,000		
Factory rent & rates	15,000		
Office expenses	8,000		
Printing & Stationery	7,500		
Discount	5,500		
Bad Debts	4,500		
<b>Total</b>	<b>9,89,500</b>		<b>9,89,500</b>

**Adjustments:-**

- On 31<sup>st</sup> March 2014, stocks were valued as: Raw Material Rs.55,000 work in progress Rs. 75,000, finished goods Rs. 95,000.
- Outstanding expenses: Printing and stationery Rs. 1,500
- Prepaid expenses : Factory rent and rates Rs. 2,000
- Manager is entitled to a commission @ 2% of Net Profits before Charging his commission

42MS 13/3  
28 P.A

6. Interest on Bank Loan Still unpaid Rs. 1,200
7. Depreciate plant and Machinery @10% p.a
8. Write off patents @  $33 \frac{1}{3}$ % p.a.

OR

Q4. B State which of the following Expenses/Receipt are capital Revenue and Deferred Revenue Explain with reason:- 15

1. Expenditure incurred on overhauling of machinery.
2. Profits earned on sale of Machinery.
3. Cost of acquisition of goodwill.
4. Cost of dismantling a plant from a particular locality and reinstalling the same in another locality.
5. Cost of transporting newly acquired machinery.
6. Amount Spent on replacement of defective part of an old plant.
7. Travelling expenses for a trip abroad for purchase of assets.

Q5.A) Explain the need of accounting 8  
B) Explain the use of Computers in Accounting 7

OR

Q5. Short Notes: (any 3) 15

1. IFRS
2. Computerized Accounting System
3. Accrual Aspect
4. AS- 6
5. Objectives of Book- Keeping

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