

QP Code : 767900

(2 ½ Hours)

[ Total Marks :75

- N.B. :** (1) All Questions are **compulsory** carrying **15 marks** each.  
(2) Working notes should form part of your answers wherever applicable.  
(3) Use of **simple calculator** is allowed

1. (A) Select the correct alternative and rewrite the sentence :- (Attempt any 8) **8**

- (1) Accounting helps to \_\_\_\_\_ the results of operation.  
(Analyse / Ascertain / understand)
- (2) An Asset is generally recorded at \_\_\_\_\_  
(cost / market price/ Average price)
- (3) \_\_\_\_\_ elaborates on Revenue Recognition  
(AS1 / AS6/ AS9)
- (4) Amount withdrawn from business for personal purpose is termed  
as \_\_\_\_\_.  
(Capital / Drawings / Liability)
- (5) All incomes generally have \_\_\_\_\_ balances  
( Debit / credit / Zero)
- (6) Revenue Receipt is disclosed in the \_\_\_\_\_  
(Trading A/c / Profit and loss A/c / Balance sheet)
- (7) Trial Balance ensures \_\_\_\_\_ accuracy of Books of account.  
(Qualitative / Arithmetical / other)
- (8) In errors of commission entry is recorded on \_\_\_\_\_ side.  
( One / Both / None)
- (9) Errors can be Removed by \_\_\_\_\_.  
( Rectification / Assessment / Audit)
- (10) Casting means \_\_\_\_\_  
(Totalling / Cross checking / selecting)

[TURN OVER]

1. (B) Match the following:

**Group A**

- 1) Going concern
- 2) Accrual
- 3) AS10
- 4) Commission
- 5) State Bank of India
- 6) Cash Book
- 7) Journal Proper

**Group B**

- (a) Accounting for fixed Assets
- (b) Nominal Account
- (c) Real Account
- (d) All other transaction
- (e) Personal Account
- (f) Subsidiary book
- (g) Accounting for Depreciation
- (h) Accumulation
- (i) Cash/Bank Receipt and payment
- (j) Continuation of business

2. (A) Journalise the following transactions in the books of Kestrel Ltd for July 2016

- 1<sup>st</sup> July Started business with cash ₹ 1,00,000
- 2<sup>nd</sup> July Cash Deposited into Bank ₹ 50,000
- 10<sup>th</sup> July Goods purchased from Tortoise Ltd. ₹ 24,000@10% Trade Discount and 5% cash Discount and paid cash immediately
- 13<sup>th</sup> July Goods purchased on credit from Sarus Ltd. ₹ 28,000@10% trade Discount.
- 14<sup>th</sup> July Placed an order for goods with parrot Ltd. for ₹1,00,000
- 15<sup>th</sup> July Goods purchased for cash from Eagle Ltd. ₹ 100,000.
- 16<sup>th</sup> July Goods purchased from Falcon Ltd. ₹ 50,000.

2. (B) You are required to prepare the Furniture A/c in the ledger book of Vulture Associates on the basis of following information for 2015-16.

- 1st April Opening Balance ₹ 10,000
- 10<sup>th</sup> May Furniture Purchased for cross Ltd on Credit ₹ 25,000
- 17<sup>th</sup> July Furniture Purchased from crow Ltd on cash basis ₹ 70,000
- 12<sup>th</sup> Oct Old Furniture sold for cash (Cost 18,000) for ₹ 14,000
- 15<sup>th</sup> Nov Furniture withdrawn from business ₹ 5,000
- 16<sup>th</sup> Jan Furniture brought by the owner ₹8,000

OR

[TURN OVER]



2. Record the following transactions in triple column cash book for the month of December 2016. 15

- 1<sup>st</sup> Mr. Ramesh Started business by bringing cash of 10,0000 and machinery of ₹ 20,000 as capital.
- 4<sup>th</sup> He opened an account in Bank by depositing cash ₹ 70,000
- 5<sup>th</sup> Purchased Machinery worth 35,000 from MAK Ltd and made payment in cash.
- 6<sup>th</sup> Installed Machinery and installation expenses Amount to ₹ 500
- 7<sup>th</sup> Bought goods worth ₹ 20,000 from sunny on credit.
- 11<sup>th</sup> Goods worth ₹ 10,000 were sold at 5% cash discount.
- 14<sup>th</sup> Paid wages to workers ₹ 5,000
- 16<sup>th</sup> Cheque of ₹ 1500 received from Suresh for interest. This cheque was endorsed to champak in full settlement of ₹ 1200
2. 20<sup>th</sup> Received from Rahul a cheque of ₹ 6000 on Account.
- 25<sup>th</sup> Cheque received from Rahul was Dishonoured by Bank due to insufficient funds.
- 28<sup>th</sup> Cash withdrawn from Bank household expenses ₹ 3,000
- 30<sup>th</sup> Paid Salary to staff ₹ 2,000

3. (A) The cash book of Dove Ltd. Shows a credit Balance of 5360 AS ON 30th Sept 2016. Prepare Bank Reconciliation statement from the following details.

- (1) Cheque of ₹ 2,350 received and deposited in the bank but same were not cleared upto 5th Oct 2016.
- (2) Cheque of ₹ 3,450 issued but not presented for payment till 30<sup>th</sup> Sept 2016. 8
- (3) Bank charges ₹ 95 as interest on overdraft and commission ₹ 60 but these were not recorded in Cash Book
- (4) Bank received commission of ₹ 600 on our behalf behalf and collected Dividend ₹ 200 on our investment and both were not recorded in Cash Book.
- (5) Mr. Shrike, a customer directly deposited ₹ 600 into bank
- (6) Receipt side of Bank Column is short by ₹ 400
- (7) Pass book shows Overdraft balance of ₹ 2615

3. B on 1/1/2014 Kite Ltd. Purchased a machinery for ₹ 12,00,000. On 1/7/2016 a part of Machinery Purchased on 1/1/2014 for ₹ 80,000 was sold for ₹ 45,000 and new machinery at a cost of ₹ 1,50,000 was purchased on the same date. The company has adopted the method are providing 10% p.a. Depreciation on original cost method. Show Machinery Account

OR

4. State which of the following expenses /Receipt are capital, Revenue and deferred revenues. Explain with reason.

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- (1) Expenditure incurred on overhauling of machinery.
- (2) Profit earned on sale of machinery.
- (3) Cost of acquisition of goodwill
- (4) Cost of dismantling a plant from 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.

- 4 (A) Rectify the following errors.

- (1) Goods sold to stork Ltd. on credit ₹1000 were omitted from accounts.
- (2) Goods worth ₹ 2500 returned by Yuhina Ltd. have not been posted to their account though entered in appropriate subsidiary record.
- (3) Conveyance of ₹ 2000 on the purchase of land was debited to conveyance A/c.
- (4) ₹ 5000 paid for repairs of machinery is posted to machinery A/c

8



4. (B) The following Trial Balance has a number of inaccuracies. You are required to rewrite it correctly.

Trial Balance on 31st March 2016.

Account Name	Debt ₹	Credit ₹
Cash at Bank	200	--
Discount allowed	--	40
Discount Received	20	--
Capital	--	1700
Sales	--	900
Return outwards	30	--
Purchases	600	--
Return Inwards	--	35
Carriage on purchases	50	--
Carriage on sales	--	75
Stock	200	--
Loan from Mr. Khan	500	--
Premises	2000	--
Rent from Premises	100	--
Suspense Account	--	900
Total	3700	3700

4. Trial Balance of Darter Ltd. As on 31/03/2016 is as follows.

Particulars	Debt ₹	Credit ₹
Opening Stock :		
Raw materials	2,50,000	--
Work in Progress	80,000	--
Finished goods	2,20,000	--
Purchases	2,15,000	--
Building	1,50,000	--
Plant and Machinery	3,50,000	--
Furniture	40,000	--
Trade Mark	30,000	--
Wages	83,000	--
Factory Taxes	4,000	--
Power	9,000	--
Factory Insurance	5,000	--
Printing and Stationary	5,200	--
Bank Charges	2,500	--
Travelling Expenses	10,000	--
Discount	3,300	--
Sales Return	11,000	
Advertisement	5,500	
Sales		7,80,000
Capital		8,50,000
Creditors		52,000
Debtors	82,500	
Discount		2500
Miscellaneous Expenses	5500	
Bills Payable		34,000
Bills Receivable	16,000	
Bank Account	98,000	
Cash in hand	9,000	
Salary to office Staff	11,000	
Office Rent	10,500	
Carriage inwards	2500	
	<b>17,18,500</b>	<b>17,18,500</b>



4 **Adjustments:**

- (1) Closing Stock :
- |                 |          |
|-----------------|----------|
| Raw material    | 85,000   |
| Working Process | 30,000   |
| Finished goods  | 2,05,000 |
- (2) Factory Taxes Prepaid 2,000
- (3) Depreciation :
- Furniture - 10%
- Plant and Machinery - 15%
- Trade mark - 20%
- Building - 5%
- Prepare manufacturing  
Trading profit and Loss Account for the financial year  
2015-16 and Balance sheet as on 31/03/2016.

5. Attempt **any three** from the following short notes :-

- (1) Accounting Standard 1
- (2) Conservatism
- (3) Reducing Balance method of Depreciation
- (4) Objectives of Book Keeping
- (5) IFRS.

- (A) Features of Computerised Accounting system
- (B) Advantages of computerised Accounting System

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8