

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

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Q1.A Match the pair (Any Eight)

A	B
1) Accounting Policy	1) Revenue exp.
2) Treatment of goodwill	2) Non cash expenditure
3) AS- 2	3) Intangible Assets
4) Inventory Valuation	4) Purchase
5) Revenue	5) HP-Interest
6) Expenditure on Training	6) Method of stock valuation
7) Depreciation	7) Area of Accounting Policies
8) Goodwill	8) Stock valuation
9) Carriage Inwards	9) Accounting Standard
10) Cash Price	10) Amount earned by sale of goods

Q1B. True/False (Any Seven)

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- As – 14 Related with Fixed Assets.
- Capital Receipts is recurring in nature.
- Current Assets are Short Term Assets.
- Wages is Real Account
- Purchase machinery is Capital expenditure.
- Rent is allocated on the basis of area.
- Drawing Account always credit balance.
- Current assets are long term assets.
- Depreciation is charged on cash price
- Purchase stationary is capital expenditure.

Q2 A. A firm has two departments X And Y From the following. Figure prepare the Departmental Trading and profit and loss account for the year ended 31st December 2013

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Particulars	Departments	
	X	Y
	Rs.	Rs.
Opening stock	40,000	50,000
Purchase	1,50,000	1,00,000
Sales	2,50,000	1,50,000
Salaries	16,800	12,000

Particulars	
General Salaries	20,000
Carriage Inward	10,000
Carriage Outward	16,000
Advertising	12,000
Rent & Rates	18,000
Interest on Bank loan	5000
Lightning	2400
Discount Received	3000
Insurance	2000

Area occupied by the two departments is in the ratio of 2:1. General Salaries are to be allocated equally. Insurance premium is for a comprehensive policy allocation being inconvenient

OR

- Q2 B. On July 1, 2012, Eastern Printers purchased a printing machine (Cash Price 30,000) on a hire purchase basis payment to be made 10000 on the said date and balance in three half yearly installment of 8,200, 7,440 and 6300 commencing from December 2012. The vendor charged interest at 10% p.a. calculate on half yearly rests.

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Eastern Printers close their books annually on December 31. And provide depreciation at 10 percent per annum on diminishing balance in each year.

- Q3. Amar Chemicals has the following ledger Balances as 31st March 2014

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Particulars	Dr (Rs)	Cr (Rs)	Particulars	Dr (Rs)	Cr (Rs)
Goodwill	50000		Net Sales		11,00,000
Factory Shed	20000		Miscellaneous		4,000
Machinery	1,30,000		Income		
Furniture	8000		Bad debts		5,000
Investment	10000		Reserve		
Capital		195000	Purchase of	8,60,000	
Bank loan		300000	Materials		
Creditors		1,50,000	Freight on	50,000	
Debtors	1,35,000		Materials		
Stock on			Factory Power	15,000	
1-4-2013			Salaries and		
-Materials	1,30,000		Wages		
-Work in	7,500		-Factory	1,50,000	
progress			-office	65,000	
Finished goods	82,500		Repairs and	2,800	
			Renewals		
			Rent and Tax	16,500	
			Insurance	3,900	
			General	18,100	
			Expenses		

The following additional information is available

1. Closing Stock : Materials Rs. 2,10,000 Work in progress. Rs. 12,500 and finished goods 2,07,500
2. Depreciation to be provided @10% on factory shed, 10% on Machinery and 15% on furniture.
3. Repairs and Rent and Taxes are to be apportioned between factory and office in the ratio 3:2.
4. Reserves for bad and doubtful debts to be provided at 4% on debtors.
5. Insurance premium covers a period of one month in advance.

You are required to prepare Manufacturing, Trading and Profit and loss Account for the year ended 31st March 2014 and Balance sheet as on that date.

OR

- Q.3A) Classify the following Expenses & Receipts

- 1) Purchase of machinery Rs. 30,000
- 2) Payment of Advertisement Rs. 1000
- 3) Institution charges for machinery Rs. 8000
- 4) Payment of Electricity bill Rs. 3000
- 5) Received Donation for Building Rs. 10000
- 6) Received Rent Rs. 500

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- Q3B) Find value of cost of production

Opening Stock	Rs. 50,000
Purchase	Rs. 70,000
Wages	Rs. 30,000
Carriage Inward	Rs. 20,000

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Q.4A) Value of Inventory by FIFO Method

Date	Particulars	Unit	Rate
1-1-2021	Opening Stock	30,000	5
2-1-2021	Purchase	40,000	10
3-1-2021	Sales	40,000	-
10-1-2021	Purchases	20,000	15
15-1-2021	Sales	30,000	-
25-1-2022	Sales	5000	-

Q.4 B) State with reasons whether the following exp & receipts.

1. Premium payable on preference shares Rs . 10,000
2. Paid Insurance premium Rs.3000
3. Recovery of Loan from Jay Rs.10,000
4. Amount received by selling of furniture
5. Sold Equity shares in General public Rs . 50,000
6. Paid salary Rs . 13000
7. Purchase of machinery Rs . 50,000

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OR

Q.4 Calculate value of stock by weighted average method

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Particulars	Date	Units	Rate
Purchase	1-3-2020	8000	10
	10-3-2020	10,000	12
	18-3-2020	20,000	13
	25-3-2020	30,000	15
Sales	2-3-2020	4000	-
	9-3-2020	3000	-
	16-3-2020	8000	-
	31-3-2020	15,000	-

Q.5 1) Functions & Responsibility of Accounting standard Board.

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2) Capital Expenditure & Revenue exp, Income Revenue & Capital Receipts

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OR

Q.5 Short Notes (Any 3)

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1. Disclosure of Accounting policy
2. FIFO and weighted Average method
3. Manufacturing Account
4. Hire purchase Agreement
5. Features of Hire purchase system

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