

Duration: - 2 ½ Hours

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Note:-

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

Q:1 (A) SELECT A PROPER ANSWER FROM GIVEN MULTIPLE CHOICE QUESTION. (ANY 8) 8M

- 1) _____ method is useful for perishable goods (FIFO,LIFO,WAM) (CO1,R)
- 2) Salary is shown in _____ A/c while preparing Final accounts. (Trading, Profit & Loss, Balance sheet) (CO1,R)
- 3) Initial payment at the time of Hire Purchase is known as _____. (FBI,Down Payment,CID) (CO4,R)
- 4) _____ is the accounting standard for Inventories. (AS1,AS2,AS9) (CO1,R)
- 5) In _____ = Amount / Quantity. (FIFO,LIFO,WAM) (CO2,R)
- 6) Advertising expenses is allotted in _____ ratio. (Sales, Purchase, Capital) (CO2,R)
- 7) On hire purchase the ownership is transferred on payment of _____ installment. (First, last,any) (CO4,R)
- 8) Freight outward is allocated on the basis of _____ of each department. (Purchase, Sales,General) (CO3,R)
- 9) Commission payable is _____. (Liability, Asset, Income) (CO4,R)
- 10) Installment = Principal + _____. (Rent, Discount, Interest) (CO4,R)

Q:1 (B) STATE WHETHER THE FOLLOWING STATEMENTS ARE TRUE OR FALSE. (ANY 7) 7 M

- 1) Accounting Standards are very useful for accounts. (CO1R)
- 2) General expenditure is shown in the Profit and loss account. (CO2,R)
- 3) Wages are shown in Liabilities. (CO4,R)
- 4) EMI is Different for every term. (CO3,R)
- 5) Cash price includes interest also. (CO3,R)
- 6) Audit fees are distributed on a sales basis in departmental accounts. (CO2,R)
- 7) When department A transfers goods to department B it's called sales. (CO4,R)
- 8) FIFO is best method for all types of goods, (CO1,R)
- 9) To find the rate of stock we use (Amount) / (Quantity) formula. (CO1,R)
- 10) Purchase of Second hand car is revenue expenditure. (CO1,R)

Q:2) CALCULATE STOCK VALUE AS ON 31.10.20 (CO 1,U,A) 15 M

1) UNDER FIFO METHOD

2) WEIGHTED AVERAGE METHOD

DATE	PARTICULARS	QTY	RATE
1	OP STOCK	500	10
7	PURCHASE	600	12
16	SALE	800	-
23	PURCHASE	700	15
30	SALE	600	-

OR

Q:2) ATTEMPT THE FOLLOWING (CO 1,2,3,U,A,R) 5+5+5 = 15 M

A) Prepare a trading account and find the Gross profit of the following items.

Opening balance	50000
Purchase	250000
Sales	500000
Wages	30000
Closing stock	100000
Factory insurance	25000

B) On 1-1-2010, M/s. Mona ltd. has purchased machinery from Sona ltd. and paid Rs. 8000 at the time of delivery. The cash price was Rs. 48000. The balance amount was paid in the following four installments on the 31st December every year with interest @ 5% on cash price : Rs. 12000 on 31-12-10, Rs. 11500 on 31-12-11; Rs. 11000 on 31-12-12 and Rs. 10500 on 31-12-13.

Classify the following expenditure into capital, revenue expenditure (reason not required)

1. Machinery purchased for rs.5,00,000.
2. Salary paid to staff rs. 15,000.
3. Purchase a second hand typewriter for rs. 5,000.
4. Paid import duty on goods purchased 10,000.
5. Repairing and maintaining expenses rs. 5,000.

Q:3) On 1-1-2010, M/s. Swanand has purchased machinery from Alco ltd. and paid Rs. 8000 at the time of delivery. The cash price was Rs. 48000. The balance amount was paid in the following four installments on the 31st December every year with interest @ 5% on cash price : Rs. 12000 on 31-12-10, Rs. 11500 on 31-12-11; Rs. 11000 on 31-12-12 and Rs. 10500 on 31-12-13. Machinery was to be depreciated at 10% p.a. on reducing the balance method.

Pass journal entries in the books of buyer and show machinery a/c and vendor's a/c. (CO3 ,A) 15 M

OR

Q:3) CLASSIFY THE FOLLOWING IN CAPITAL, REVENUE EXPENDITURE AND RECEIPTS.

(CO3,A)15 M

- 1) Printer purchased for Rs. 25000
- 2) Equity shares issued Rs. 100000
- 3) Wages paid Rs. 30000
- 4) Wages paid for machinery Rs. 5000
- 5) Picnic for staff Rs. 15000
- 6) Conveyance paid to employee Rs. 2000
- 7) Tea & refreshment exp at office Rs. 1000
- 8) Sales tax paid Rs. 10000
- 9) White washing of factory building Rs. 10000/-.
- 10) Converted the petrol engine into CNG Rs. 5000/-.

Q:4) From the following Trial balance of Deep enterprises, Prepare Manufacturing, Trading , Profit and loss a/c and Balance sheet for the year 31st December 2023.

(CO4,A) 15 M

Particulars	Amount	Particulars	Amount
Drawings	30000	Capital	500000
Managers salary	6000	Creditors	100000
Cash in hand	2000	Loan	80000
Cash at bank	35000	RDD	6000
Debtors	95000	Purchase returns	7000
Patents	4000	Sales	264000
Plant and machinery	100000		
Land and Building	200000		
Extension to building	20000		
Legal charges for acquisition of Building	5000		
Purchase of Raw material	100000		
Raw material (1-1-13)	40000		
Work in progress (1-1-13)	75000		
Finished Goods (1-1-13)	95000		
Carriage inward	8000		
Wages and salaries	90000		
Factory expenses	8000		
Factory rent and rates	10000		
Office expenses	5000		
Printing and stationery	10000		
Discount	6000		
Advertisement	5000		
Bad debts	4000		
Goodwill	4000		
Total	957000	Total	957000

Adjustments:

- (a) on 31-12-2023 Closing stocks were as follows: Raw material Rs 50000, WIP Rs 80000 and Finished goods Rs. 100000.
- (b) Outstanding Expenses – Advertisement Rs. 500 and Printing Rs. 300.
- (c) Stock of Stationery on hand Rs. 1000 on 31-12-23.
- (d) depreciate : plant and machinery at 10% and Patents at 20%.
- (e) Manager is entitled for a commission of 5% on net profit before charging his commission.
- (f) Increase RDD by Rs 3000.
- (g) Interest on loan of Rs. 1000 is still unpaid.

Q:4) Rational Departmental stores has prepared the following trading and profit loss account for the year ending 31st March, 2014. (CO4,A) 15 M

Particulars	Amount	Particulars	Amount
To opening stock		By Sales	
Dept H	45000	Dept H	302600
Dept M	60000	Dept M	453900
Dept T	27800	Dept T	151300
To purchases		By Closing stock	
Dept H	224000	Dept H	35000
Dept M	355000	Dept M	64000
Dept T	154000	Dept T	75000
To salaries	60000		
To Rent and taxes	45000		
To Discount	12000		
To Advertisement	34500		
To Trade expenses	9000		
To Depreciation	15000		
To Electricity	18300		
To Carriage outward	6600		
To Net profit	15600		
	1081800		1081800

Prepare Departmental Trading and Profit loss account for the year ending 31st march 2014 after considering the following data:-

- a) Rent / Taxes to be allocated in the ratio of area occupied which was 1:2:1 respectively.
- b) Depreciation to be charged equally.
- c) Of the 2 salesmen employed , once worked in dept M alone. The other works in Dept. H and T. His salary will be allocated equally between Dept. H and Dept H and T. Salary of each salesman is Rs. 2500 per month.
- d) All other expenses except those mentioned in item (a) to (c) above, be allocated in the ratio of sales of the respective departments.

Q:5) Answer in brief. (CO 1,2,3,R) (8 +7 = 15)

- A) What is Stock valuation and what are the methods of stock valuation.
- B) What is Manufacturing Final Accounts give details.

OR

Q:5) WRITE SHORT NOTES (ANY 3) (5+5+5 = 15)

- 1) Hire Purchase Agreement Vs Installment Purchase Agreement (CO3,U)
- 2) FIFO System of Stock valuation (CO2,R)
- 3) Manufacturing account (CO4,R)
- 4) Capital expenditure (CO2,R)
- 5) AS 2 (CO1,R)

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