

Seat Number: - _____

Duration: - 2 ½ Hours

C217A23FA

Marks 75

Note: -

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Use of a simple calculator is allowed.

Q1) (A) Select the right answer from the following Multiple choice questions. (Any 8) (8M)

1. Salvage refers to
 - a) Stock destroyed by fire
 - b) Stock saved from fire
 - c) Stock moving fast
 - d) Stock slow moving
2. Incomplete records are generally maintained by
 - a) Government
 - b) Company
 - c) Small business
 - d) MNC's
3. Debtors account is prepared to find out
 - a) Cash sales
 - b) Credit sales
 - c) Cash purchases
 - d) Credit purchases
4. If the consignee gets -----, he will bear bad debts.
 - a) Commission
 - b) Del credere commission
 - c) Discount
 - d) Normal Commission
5. ----- is required to find out closing stock lying in the godown on the date of fire
 - a) Net profit ratio
 - b) Gross profit ratio
 - c) Expenses ratio
 - d) Operating ratio
6. Proforma invoice is sent by
 - a) Consignor
 - b) Consignee
 - c) Buyer
 - d) Seller
7. Goods sent by HO to the branch but not received by the branch are termed as
 - a) Branch account
 - b) Goods in transit
 - c) Loss in transit
 - d) Purchase a/c
8. Under Debtors system, Normal loss is
 - a) Not recorded in Branch A/c
 - b) Recorded in Branch A/c.
 - c) Recorded in HO A/c.
 - d) Recorded in foreign Branch
9. Stock for the purpose of claim should be
 - a) At marginal price
 - b) At market value
 - c) At cost
 - d) Realizable value
10. The relationship between Consignor and consignee is that of -----
 - a) Principal and agent
 - b) Debtors and creditors
 - c) Buyer and seller
 - d) Owner and servant

Q1. B. State whether the following statements are True or False: (Any 7) (CO-1, 2, 3, 4, -R) (7M)

1. Branch account under debtors' system is a real account.
2. Consignee cannot return the unsold goods to the consignor.
3. Under the single entry system all entries are passed as well as posted only by one person.
4. Income tax act allows small traders to adopt a single entry system for keeping books of accounts.

5. Account sale is sent by the consignor to the consignee.
6. Branch stock accounts are prepared at cost price only.
7. Insurer gets compensation less than the amount of the policy, in case of full insurance.
8. Purchase return is debited to creditors account.
9. Stock on Consignment belongs to the consignor.
10. Debtors Account shows opening balance to the debit side of debtors account.

Q.2. Mr.Paresh, a retailer, does not keep any books of accounts, but does operate a business bank account. A summary of the bank statement for the year ended 31.12.2022 is given below:(CO1-AP, AN, E, C) (15M)

Receipts	Amount	Payment	Amount
Opening Balance	2640	Cash paid to creditors	37250
Cash Received from Debtors	48500	Salaries	5500
Closing Balance	2210	Rent	1800
		General Expenses	3500
		Advertisement	300
		Drawings	5000
	53350		53350

His assets and liabilities on 31.12.2021 and 31.12.2022 were.

Particular	31.12.2021	31.12.2022
Fixed Asses	10400	10400
Stock	5240	6300
Debtors	6500	6800
Rent Prepaid	300	600
Creditors	4600	4700
Outstanding Advertisement	100	150

Fixed Assets should be depreciated at 10%.

Required: Prepare the Trading and profit & loss account of Mr.Paresh for the year ended 31.12.2022 and balance sheet as that date.

OR

Q.2. Mr. Naitik does not maintain his books of accounts on the Double Entry bookkeeping system. He supplies you the following information.

a. Assets and Liabilities as on 1st April, 2020 and 31st March, 2021: (CO1-A, A, E, C) (15M)

Particulars	01-04-2020	31-03-2021
Sundry Debtors	11,200	8,200
Stock	12,750	16,800
Sundry Creditors	12,410	9,870
Furniture	12,000	12,000
Machinery	17,500	?
Cash and Bank Balance	500	4,100

b. Transaction during year ending 31st March, 2021.

Particulars	Amount
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Payment made to Creditors	17,500
Salaries	7,330
Cash Sales	?
Received from Debtors	39,540
Capital Introduced	5,000
Carriage Inward	8,210
Office Expenses	2,900
Purchases of Machinery	5,000
Drawings	6,000

Discounts allowed were Rs. 600 and discount received Rs. 500. Bad debts written off were Rs. 400. Depreciation is to be provided on furniture @ 20% p.a. and on machinery @ 10% p.a. salaries outstanding Rs. 1,000. Prepare Trading, Profit and Loss Account of Mr. Naitik for the year ended 31st March, 2018 and Balance Sheet as on that date.

Q.3. Navin of Nagpur has a branch at Mumbai. All goods required for sale at Mumbai Branch are supplied from Nagpur at cost plus 25% and all cash received at the Branch is banked daily in the Head Office Account opened in a Bank in Mumbai.

From the following particulars give the Branch account and Branch Debtors A/c. (CO3-A, A, E) (15M)

Particulars	Amount
Stock (1.1.2018)	79,000
Debtors (1.1.2018)	1,13,000
Petty Cash (1.1.2018)	900
Returns from Customers	4,000
Goods invoiced to Branch	2,50,000
Bad Debts	10,000
Cash Sales	14,000
Branch Exps. Paid by head office:	
Rent	14,000
Salary	15,000
Sundries	7,000
Allowances given	4,500
Petty Cash Expenses at Branch	2,400
Total Sales	3,49,000
Remittances to Branch for Petty Cash	2,800
Stock (31.12.2018)	84,000
Debtors (31.12.2018)	1,95,100

OR

Q.3. On 1st November 2021, C of Calcutta sends goods costing Rs.1, 00,000 to D of Delhi on consignment basis. C paid Rs.5, 000 as railway freight and Rs.2, 000 as insurance.

On 31st December, 2021, an account sales was received from D disclosing that the entire quantity of goods were sold for Rs.1,50,000 – out of which, Rs.30,000 was sold on credit. A customer who purchased goods for Rs.5, 000 failed to pay and the debt proved bad. All other debts were collected by D

in fully. As per agreement, D is allowed a commission @10% on sales. D sends the amount due to C by cheque.

Prepare necessary Ledger accounts in the books of C & D. (CO2-A, A, E, C) (15M)

Q.4. A fire occurred in the premises of M/S Rana on 15.10.2020. From the following particulars ascertain the loss of stock and prepare a statement of claim to be lodged with the insurance company.

(CO4-A, A, E) (15M)

Particular	Amount
Stock on 31.3.2018	1,98,000
Stock on 31.3.2019	2,42,000
Purchase for 2018-2019	6,40,000
Sales for 2018-2019	8,00,000
Purchase from 1.4.2019 to 15.10.2020	6,00,000
Sales from 1.4.2019 to 15.10.2020	7,58,000

The stock on 31st March, 2018 was valued at 90% of cost price and 31st March, 2019 was valued at 10% above cost. Salvage was Rs.35, 000 the amount policy was Rs.2, 00,000. The claim was subject to the average clause.

OR

Q.4. The business premises of Raj Timber Mart ltd. destroyed by fire on 15-7-2021. However, the Books of Accounts and Stock amounting to Rs.18, 000 were salvaged and the following information was available from the books. (CO4-A, A, E) (15M)

Year End	Gross Profit (Rs.)	Sales (Rs.)
31-3-2017	2,04,250	8,17,000
31-3-2018	2,02,350	6,74,000
31-3-2019	1,90,000	7,60,000
31-3-2020	1,77,650	7,10,600
31-3-2021	1,52,000	7,60,000

Additional information:

1. Stock on 31.3.2021 Rs.92,250
2. Purchase from 1-4-2021 to 14-7-2021 Rs.89,250
3. Sales from 1-4-2021 to 14-7-2021 Rs.1,60,000
4. Wages from 1-4-2021 to 14-7-2021 Rs.28,500
5. The amount of policy was Rs.80,000 subject to average clause

You are required to prepare a statement of claim against the insurance company.

Q.5.A. What do you mean by Single Entry System? Enumerate its drawbacks. (CO1-U, A) (8 M)

Q.5.B. Explain how to calculate claims when records are available. (CO4-U, A) (7 M)

OR

Q5. Write short note {any 3} (CO-1, 2, 3, 4, -U, A) (15 M)

1. Types of Branch
2. Distinguish Between Single Entry & Double Entry
3. Consignment Commission
4. Memorandum Trading Account

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