

Q.P. Code : 23064

[Time: 2:30 Hours]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:
1. Question.No.1 is compulsory.
  2. Q.2 to Q.5 having internal option.
  3. Figures to right indicate full marks.

Q.1 A) State whether following statements are True Or False (any 8)

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- 1) Reputation of business is known as copyright.
- 2) Folio means totaling of journal.
- 3) Salary paid to Ram is debited to Ram.
- 4) AS-1 provides valuation of fixed assets.
- 5) Bad debts are not recoded in books of accounts.
- 6) Voucher is similar to cheque.
- 7) Unrecorded purchase is credited to Trading account.
- 8) Outstanding rent is not to be considered as expenses.
- 9) A person buying the goods is termed as vendor
- 10) Stock valuation is Non Accounting concept.

B) Match the columns (any 7)

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| GROUP A          | GROUP B  |
|------------------|--|
| 1. Book keeping  | a) Cash or credit                              |
| 2. Transaction   | b) Arts as well as science                     |
| 3. IFRS          | c) International accounting standard           |
| 4. IAS           | d) International financial reporting standards |
| 5. FIFO          | e) Last in first out                           |
| 6. LIFO          | f) First in first out                          |
| 7. AS-6          | g) Revenue recognition                         |
| 8. AS-9          | h) Depreciation accounting                     |
| 9. BRS           | i) Types of cheques                            |
| 10. Order cheque | j) Bank reconciliation statement               |

Q.2 Journalize the following transitions in the books of sachin Tendulkar

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- 1) Mr. Sachin commenced business with cash Rs. 20,000
- 2) Purchased goods for cash from Dhoni Rs. 200
- 3) Paid commission in cash Rs. 20
- 4) Sold goods to Kartik on credit worth Rs. 200
- 5) Invoiced goods to Peter for cash Rs. 300
- 6) Paid wages to workers Rs. 25
- 7) Paid rent for office Rs.50
- 8) Purchased goods from Amre for cash Rs.700
- 9) Vijay paid Rs.300 on our behalf
- 10) Sachin drew for domestic use Rs. 100

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- 11) Sachin drew goods for business use Rs. 300
- 12) He purchased a typewriter from kapil for Rs. 1,300
- 13) He purchased office equipments from sanjay for cash Rs. 1,000

OR

Record the following transactions in the simple cash book of Shri. Kumar for December, 2016 **15**

- 1) Commenced business with Rs. 5,000 cash
- 2) Cash purchases Rs. 2,500 and carriage paid on same Rs. 50
- 3) Purchased a chair for office for Rs. 100 and office stationary for Rs. 20
- 4) Cash sales Rs. 1,000
- 5) Paid Rs. 250 to Baban in cash
- 6) Cash sales Rs. 1,000
- 7) Received cash from chetan Rs. 500
- 8) Drew Rs. 300 for household use
- 9) Cash purchases Rs. 2,000
- 10) Cash sales Rs 500
- 11) Received Rs. 1000 from Rahul
- 12) Paid salaries and rent for the month Rs. 350 and Rs. 150 respectively.

Q.3 State giving reason whether following are capital, Revenue or Deferred Revenue **15**

- A) Heavy advertising expenditure incurred for launch of product
- B) Copyrights acquired for sum of Rs. 20,00,000
- C) Repainting of building for Rs. 1,00,000
- D) Profit of Rs. 10,000 earned by selling an investment
- E) Legal Expenses incurred by a publisher in a defamation suit.
- F) Renewal of factory license for Rs. 50,000
- G) Replacement of wooden platform for machinery with concrete.

OR

Calculate the value of stock by applying; (a) FIFO to product X (b) Weighted Average to product Y **15**

|                         | X              | Y             |
|-------------------------|----------------|---------------|
| Stock (kgs) on 1-3-2012 | 2,000 @ Rs.28  | 4,000 @ Rs.13 |
| Purchases (kgs)         |                |               |
| i) On 11-3-2012         | 1,800 @ Rs. 27 | 2,500 @ Rs.14 |
| ii) On 21-3-2012        | 1,700 @ Rs. 25 | 2,000 @ Rs.18 |
| Sales (kgs)             |                |               |
| i) On 6-3-2012          | 1,300          | 2,500         |
| ii) On 15-3-2012        | 1,400          | 2,000         |
| iii) On 18-3-2012       | 700            | 1,300         |
| iv) On 29-3-2012        | 1,100          | 1,700         |

- On 31-3-2012 when stocks were physically verified a shortage of one unit.

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Q.4 The following is the trail balance of Mr. Raj as on 31<sup>st</sup> March, 2012. You are required to prepare the final accounts after giving effect to adjustments: **15**

| Particulars             | Dr. Amount      | Cr. Amount      |
|-------------------------|-----------------|-----------------|
| Capital Account         |                 | 1,00,000        |
| Furniture               | 20,000          |                 |
| Purchases               | 1,50,000        |                 |
| Debtors                 | 2,00,000        |                 |
| Interest earned         |                 | 4,000           |
| Salaries                | 30,000          |                 |
| Sales                   |                 | 3,21,000        |
| Purchase returns        |                 | 5,000           |
| Wages                   | 20,000          |                 |
| Rent                    | 15,000          |                 |
| Sales return            | 10,000          |                 |
| Bad debts W/off         | 7,000           |                 |
| Creditors               |                 | 1,20,000        |
| Drawings                | 24,000          |                 |
| Provision for bad debts |                 | 8,000           |
| Printing & Stationary   | 8,000           |                 |
| Insurance               | 12,000          |                 |
| Opening stock           | 50,000          |                 |
| Office Expenses         | 12,000          |                 |
|                         | <b>5,58,000</b> | <b>5,58,000</b> |

Adjustments:

1. Depreciate furniture by 10% p. a.
2. Provision for doubtful debt @ 5% on debtors.
3. Salary outstanding for Rs. 3,000 and Rs. 2,000 paid in advance.
4. Insurance is prepaid by Rs. 2,000.
5. Office expenses outstanding for Rs. 8,000.
6. Stock use for personal purpose Rs. 6,000.
7. Closing stock amounted to Rs. 6,000.

OR

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X ltd. Had purchased a machinery on hire purchase system from Y ltd. The terms are that X ltd. Would pay Rs. 20,000 down on signing of the agreement and 4 annual installments of Rs. 11,000 each commencing from the beginning of the next year. X ltd charged depreciation @ 10% p.a. On cost under diminishing balance system. Y ltd. Charged interest @ 10% p.a.. In their hire purchase contract. Prepare Machinery account and Y ltd. account for 5 years in the books of X ltd.

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- Q.5 A) Explain Bank Reconciliation Statement in detail  
B) Explain types of Vouchers

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OR

Write short notes (any 3)

- a) Rectification of errors
- b) Types of cheques
- c) Journal proper
- d) Accounting convention
- e) Contingent liability

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