

**Note :**

- 1) Qno. 1 and Qno. 2 are compulsory
- 2) Qno. 3 and Qno. 4 solve any one
- 3) Qno. 5 and Qno. 6 solve any one

**Q. 1** The following balances are extracted from the ledger accounts of Mr. Bharat as on 31st Decembers, 2003 (15)

Particular	Dr. Rs.	Cr. Rs.
Mr. Bharat's capital		1,40,000
Plant and Machinery	45,000	
Opening stock		
- Raw Materials	20,000	
Finished goods	5,000	
Purchases and sales	3,74,000	4,60,000
Debtors and creditors	1,35,000	90,000
Wages	30,000	
Salaries	22,000	
Trade Expenses	9,000	
Rent	12,000	
Consignment (Mr. X ) A/C	33,000	
Cash	5000	
	6,90,000	6,90,000

**Adjustments**

- 1) Opening stock of finished goods include stock of stationery of Rs. - 200
- 2) Closing stock of raw materials Rs. - 10,000, Closing stock of finished goods Rs. -20,000 (including stock of stationery Rs. - 100)
- 3) Trade expenses include payment of stationery of Rs.- 2000/-
- 4) Closing creditors include creditors for stationery of Rs. - 500 for credit purchases.
- 5) Mr. Bharat sent goods costing Rs. - 33,000 to Mr X (Consignee) who sold two thirds of the quantity for Rs. - 35,000 The consignee has incurred expenses of Rs. - 2000 and is entitled for commission of 5% on sales.

- 6) Sales include a sum of Rs. 32,000 received on sale of all goods received on behalf of Mr. Y (Consignor) Mr. Bharat is entitled to a commission of 10% on these sales for which no entries were passed. The expenses of Rs. - 1000 for sale on behalf of Mr. Y are debited to trade expenses (the expenses should be incurred by Mr. Y)
- 7) Provide 10% depreciation on plant and Machinery .  
Prepare manufacturing account, trading account and profit and loss account for the year ended 31st Dec, 03 and the Balance sheet on that date.

**Q. 2** From the balances given below extracted from the the books of (7)

a) Randhir, Prepare a Trial Balance as on 31st Dec, 06

Particulas	Rs.	Particulas	Rs.
Cash in hand	200	Rent and Rates	2000
Cash at Bank	2,500	Purchase Retuns	200
Capital Account	50,000	Sales Return	300
Drawing	5,000	Plant & Machiney	15,000
Sales	35,000	Loan (taken)	20,000
Purchases	30,000	Furniture	5,000
Sundry Debtors	32,000	Opening stock	7,500
Sybdry creditors	15,000	Travelling Exp	7,000
Discount Allowed	500	Carriage outward	10,000
Commission recd	1000		
Wages	3000		
Salaries	1,200		

- b) state with reasons whether the following items are capital, revenue or defessed revenue items. (8)
- 1) Donations given to Army central welfare fund.
  - 2) Gift received from father of propreitor deposited in bank account of concern.
  - 3) Interest received on loan given
  - 4) Bank loan was repaid.
  - 5) Profits before incorporation of company.
  - 6) Redemption of debentures at a discount
  - 7) Profit on re-issue of forfeited shares.
  - 8) Contribution to state Housing Boodd for construction of Housing colony for employees.

**Q. 3** On 1<sup>st</sup> April, 2001, M/s. Apurva & Co purchased four machines for Rs. -50,000 each. His accounting year ends on 31st March. Depreciation @ 20% on original cost has been charged to profit & loss A/c and credited to a separate provision for depreciation account. (15)

On 1st April 2002, one machine was sold for Rs. 35,000 and on 1st April, 2003 a second machine was sold for Rs. - 33,000 A new machine which cost Rs. -80,000 was purchased on 11<sup>th</sup> Oct. 02 The same rate of depreciation was decided for the new machine as well.

**Prepare**

- 1) Machinery A/C
- 2) Machinery Disposal A/C
- 3) Provision for Depreciation A/C

**OR**

**Q. 4** M/s. Archana Enterprises had a current account with the Indian Bank. Their pass book showed a balance of Rs. -20,534 as on 30th June, 2005 Taking into account the following prepare a B. R. S. to find out the balance as per the cash book. (15)

- 1) Cheques amounting to Rs.-15000 issued to their Creditors were not presented for payment.
- 2) Cheques received from Mr. Jagdish for Rs. 6,890 was sent to the Bank for Collection on 29<sup>th</sup> June, it was collected on 2<sup>nd</sup> July, 05.
- 3) The Bank had credited the pass book for Rs. 650 being the amount of dividend collected The intimation of the same was sent on 3<sup>rd</sup> July, 05.
- 4) The Bank made the payment of Insurance premium of Rs. 570.
- 5) Cheques of Rs. 340 recd from Banejee was entered twice in the cash book. The cheques was collected on 28<sup>th</sup> June, 05.

**Q. 5** A company was formed with a Capital of Rs. 15,00,000 in shares of Rs. 10 each. It offered to the public 1,00,000 shares payable Re. 1 per share on application Rs. 2 per share on allotment and Rs. 3 per share on 1<sup>st</sup> call. The balance of Rs. 4 per share on was to be called only in case of necessity. Applications were received for 90,000 shares and the shares were accordingly allotted. All the money was duly received with the exception of allotment money on 200 shares and first call on 500 shares.

Journalise the whole of the transactions show the ledgers account and the Balance sheet. (15)

**OR**

**Q. 6 a)** Journalise the following transactions. (7)

- |           |  |
|-----------|--|
| 2006 Aug. | Raju commenced business with cash Rs. - 5000           |
| 1st       | Goods worth Rs. 10,000 and Building Rs. - 7000         |
| 3rd       | Purchased goods worth Rs. 5000 less 10% trade discount |

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- 5th Received cash Rs. - 590 from Mr. Mayur and allowed him discount of Rs. 10
- 6th Paid Rs. 660 to Mr. Royal after deducting Rs. 40 as discount.
- 7th Purchased good worth Rs. - 500 for cash on 5% cash discount terms.
- 8th Sold goods worth Rs. 600 for cash on 5% cash discount terms.
- 10th Received Rs. - 575 from Mr. Ramanujan in full settlement of his account of Rs. - 600.

b) Write short Notes on (Any two)

(8)

- 1) Concept of Accounting standard
- 2) Manufacturing Accounts.
- 3) Accounting standard - 6 Depreciation Accounting.

