

- N.B. 1) All questions are compulsory.  
2) All questions carry equal marks.

Q.1 Journalise the following transactions in the books of Mr. 'A' for the month of Oct. 2007.

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Oct.

1. Commenced business with Rs. 10,000 borrowed from wife and goods worth Rs. 5,000 supplied by friend Mr. 'X' on credit.
2. Bought material worth Rs. 1,000 and paid wages for making furniture for office use of Rs. 200.
3. Purchased goods worth Rs. 5,000 less 10% T.D. & 5% C.D.
4. Paid Rs. 660 to Mr. Royal after deducting Rs. 40 as discount.
5. Purchased securities worth Rs. 2,000 & paid for brokerage @ 2%.
6. Distributed free samples worth Rs. 1500/-
7. Purchased machinery Rs. 1,00,000 & Paid installation charges Rs. 10,000/- & wages paid for installation Rs. 5,000/-
8. Paid for 'A' s club bill Rs. 1,000/-
9. Paid Rent to Land Lord in advance Rs. 500/-
10. LIC paid Rs. 2000 /-

**OR**

Journalise the following transaction in the books of Laxmi

July 2007

- 1) Started business with cash Rs. 50,000; Goods Rs. 1,00,000/- & Furniture Rs. 50,000/-
- 2) Purchased Goods worth Rs. 1,50,000 at 10% T.D. & 5% C.D.
- 3) Purchased Machinery for Rs. 2,00,000 & paid 25% on its installation charges.
- 4) Wages paid for construction of building Rs. 5,000/-
- 5) Rs. 1,000 paid for LIC.
- 6) Goods of Rs. 500 ( uninsured) burnt by fire.
- 7) Paid for cartage of Rs. 100 on behalf of Sridevi.
- 8) Paid to Kavita Rs. 500 on behalf of Raju.
- 9) Purchased Securities Rs. 50,000 & paid 2% brokerage.
- 10) Paid Rent to landlord in advance Rs. 1,000/-

**Q.2 A)** Enter the following transactions in a Cash Book with Cash Bank  
X discount column & Balance the Cash Bank :

2004

- Jan. 1 Commenced Business with cash Rs. 15,000  
 3 Deposited Rs. 10,000 in Bank.  
 4 Paid by cheques to Kurana Rs. 900 who allowed discount Rs. 50 /-  
 7 Paid cash for FREIGHT Rs. 50  
 8 Received a cheque of Rs. 400 from Poonam which is endorsed to Preeti.  
 10 Banked Rs. 500  
 12 Withdrawn from bank, Rs. 500 for office use & Rs. 400 for personal use.  
 14 A crossed cheque is received from Meena of Rs. 750.  
 15 Paid staff salary Rs. 1,000.  
 17 The cheque which was received on 14<sup>th</sup> Dec. 2004 is dishoured.  
 18 Received a cheque from Mahavir for Rs. 280 in full settlement of Rs. 300.  
 20 Mahavir's cheque is deposited into bank.  
 22 Issued a cheque in favour of M/s. Karauna & Sons for Rs. 440.  
 26 Bank debited our A/c for 100 for bank charges & credited  
 out Rs. 200 for interest collected.  
 28 Sold goods worths Rs. 1,000 to Ramesh  
 31 Ramesh paid Rs. 800 by cash & 200 by cheque.  
 31 Deposited in bank A/c the cash increase of Rs. 500.

**OR**

**B) Write short notes on :**

- i) Classification of Accounts.
- ii) Debit Note v/s. Credit Note
- iii) Journal Proper

**Q.3 A)** On 31<sup>st</sup> March 1992, The Cash Book of Mr. Gandhi showed a balance of Rs. 14,000 but Bank Pass Book showed a different balance. On comparing the cash Book with the Pass Book, following discrepancies were noticed.

- i) Cheques of Rs. 300, Rs. 200 were issued on 25<sup>th</sup> March 1992, but both cheques were presented for payment on 5<sup>th</sup> April 1992.
- ii) Cheques of Rs. 600 received from the customers were paid into bank, but they were collected on 1<sup>st</sup> April 1992.
- iii) Mr. 'T' directly deposited Rs. 300 into Bank A/c. the entry of the same as made in the Cash Book on 4<sup>th</sup> April 1992.
- iv) The Bank has debited the Pass Book by Rs. 10/- for Bank charges. The Co-responding entry of the same was not found in the Cash Book.

Prepare a Bank Reconciliation statement as on 31<sup>st</sup> March 1992.

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**OR**

- B) M/s. Archana Entp. has a current account with the Indian Bank. Their Pass Book showed a balance of Rs. 20,534/- as on 30<sup>th</sup> June 1992. Taking into account the following prepare a Bank Reconciliation statement to find out the balance as per the cash Book.
- i) Cheques amounting to Rs. 15,000 issued to their creditors were not presented for payment.
  - ii) Cheques received from Mr. Jagdish for Rs. 6,890 was set to the Bank for collected, on 2<sup>nd</sup> July 1992.
  - iii) 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 1992.
  - iv) Under the standing instruction, the Bank made the payment of Insurance of Rs. 570/- on behalf of the company. No corresponding entry was shown in the cash book.

Q.4 A) The Trail Balance of Mr. Lakhamichand is a below : Prepare Final A/c of the year ended 31.12.98

Particulars	Debit	Credit
Cash in Hand	1000	
Machinery	30000	
Drawings	2500	
Factory, Pomes & Fuel	450	
Office Salaries	6225	
Carriage outward	500	
Mfg Wages	9300	
Furniture & Fixture	3400	
<u>Opening stock :</u>		
Finished goods	4000	
W.I.P.	7250	
Raw Materials	2800	
Carriage Inwards	1000	
Rent (Factory 3/4)	4000	
Sundry Debtors	21600	
Advertisement	775	
Purchase of Raw Materials	82950	
Balance at Bank	8530	
Discount allowed	610	
Mis. Exp.	630	
Capital A/c.		41860
Sales		138780
RDD		560
Sundry Creditors		8800

## Adjustments :

- 1) Closing stock : Finished Goods Rs. 6500; Raw Materials Rs. 750 & W.I.P. Rs. 4750
- 2) A motor car purchased on 1.10.98 for Rs. 10,000/- has been included in purchases.
- 3) Depreciate Machinery @ 15% p.a. Motor car @ 20% p.a. Furniture & Fixtures @ 15% p.a.
- 4) Provision for RDD should be maintained @ 10% of the debtors.
- 5) Provision for unrealised Rent in respect of portion of the office sub let at Rs. forms 1.10.98 has to be made.

OR

- Q.4 a) From the following particulars of a mfg firm, prepare a statement showing:
- a) Cost of Material used
  - b) Works cost
  - c) Cost of Production
  - d) Percentage of works overhead to productive wages.
  - e) Percentage of General overhead to works cost :

Particulars	Rs
Stock of Materials on 1 <sup>st</sup> Jan. 1998	40,000
Purchase of Raw Materials on 1 <sup>st</sup> Jan 1998	11,00,000
Stock of Finished Goods on 1 <sup>st</sup> Jan 1998	50,000
Productive wages	5,00,000
Finished Goods sold	24,00,000
Works one head charges	1,50,000
Office & General Expenses	1,00,000
Stock of material on 31 <sup>st</sup> Jan. 1998	1,40,000
Stock of Finished Goods on 31 <sup>st</sup> January 1998	60,000

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