

[Time: 2 1/2 Hours]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:
1. All questions are compulsory but subject to internal choice.
 2. Figure to the right indicates full marks.

Q.1 A) State whether following statements are true or false. (Any 8) (08)

- 1) Under Single Entry system, only cash and personal accounts are maintained.
- 2) Consignment is not Sale.
- 3) Balance in Goods Sent to Branch Account is transfer to debit of trading account.
- 4) Memorandum Trading Account is always prepared for 1 year period.
- 5) Under the Conversion Method of Single entry, credit purchases are ascertained by preparing the total creditors account.
- 6) Consignee can return the unsold goods to the Consignor.
- 7) Depreciation on branch fixed asset is debited to branch account under Debtor system.
- 8) Abnormal goods are fast moving goods.
- 9) If the consignee gets Del Credere commission, the consignee will bear the bad debts.
- 10) Branch stock account is always prepared at cost price.

B) Match the column: (Any 7) (07)

COLUMN A	COLUMN B
1. Average Clause	A. Applies in case of over insurance
2. Credit sales	B. Applies in case of under insurance
3. Opening balance sheet	C. Total debtors account
4. Profit 20% on sales	D. Total creditors account
5. Profit 25% on sales	E. Opening capital
6. Relation between Consignor and Consignee	F. Profit 25% on Cost
7. Del Credere Commission	G. Profit 33.33% on cost
8. Single entry system	H. Principal and agent
9. Expenses on consignment	I. Borne by the consignor
10. Dependent branch	J. Stock and debtors system
	K. Borne by consignee
	L. No proper books of account
	M. Extra commission for recovery from customer.

Q.2 Mr. Goyal does not maintain proper books of account and from the given information prepare Trading and P&L account for the year ended 31st March 2012 and Balance sheet on 31st March 2012. (15)

Assets	01/04/2011 (Rs.)	31/03/2012 (Rs.)
Plant & Machinery	1,00,000	?
Furniture	65,000	?
Stock	36,240	62,540
Debtors	1,43,520	1,34,280
Creditors	1,25,640	1,45,420
Cash and Bank	25,350	?

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Analysis of cash transaction for the year:-

Particular	Amount (Rs.)
Cash sales	25,000
Cash received from debtors	6,90,380
Cash paid to creditors	4,90,260
Wages paid	32,560
Salary paid	44,380
Printing and stationary paid	12,360
Drawings	12,000
Machinery purchased on 01/10/2011	50,000
Additional capital introduced	35,000
Commission received	52,600
Cash purchases	42,150
Expenses paid	19,450

- 1) Discount allowed Rs.2,650 and Discount Earned Rs.2,530 and bad debts written off Rs. 4,120.
- 2) Depreciation to be provided on furniture @10% and on machinery @20%.
- 3) Wages outstanding Rs.5,500.

OR

Q.2 Mr. Aryan, a retailer, does not keep any books of accounts but does operate a business bank account. A summary of the bank statements for the year ended 31-3-2013 is given below: (15)

Receipts	Amount (Rs.)	Payments	Amount (Rs.)
Opening Balance	5,280	Cash paid to Creditors	74,500
Cash received from Debtors	97,000	Salaries	11,000
Closing Balance	4,420	Rent	3,600
		General Expenses	7,000
		Advertisement	600
		Drawing	10,000
	1,06,700		1,06,700

His assets and liabilities on 31st March, 2012 and 2013 were:

	31-3-2012 (Rs)	31-3-2013 (Rs)
Fixed Assets	20,800	20,800
Stock	10,480	12,600
Debtors	13,000	13,600
Rent prepaid	600	1,200
Creditors	9,200	9,400
Outstanding advertisement bill	200	300

Fixed assets should be charged depreciation at 10%.

Required to prepare the Trading and Profit & Loss Account of Mr.Aryan for the year ended 31-3-2013 and a Balance Sheet as at that date.

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- Q.3 Mohanji & Co. Of Jaipur consigned 50 bundles of goods at Rs.200 each to Shyamji & Co. of Pune. The consignor pays Rs.200 for insurance and for freight Rs.300. Shyamji sends an accounts sales showing the gross proceeds at Rs.24,000. The expenses paid by Shyamji, travelling Rs.200, carriage Rs.500 and warehouse expense Rs. 130. He sends the amount due to consignor after deducting 4% commission. Prepare: - Consignment Account, Shyamji's Account and Goods Sent on Consignment Account in the books of consignor. (15)

OR

- Q.3 Raj agency is having a branch in Mumbai. Goods are invoiced to branch at 25% profit on sale. Branch has been instructed to send all cash daily to Head Office. All expenses are paid by head office except petty cash expenses, which are met by the branch. From the following particular prepare Branch account in the books of Head Office:- (15)

Particular	Amount Rs.
Stocks as on 01/04/2013(Invoice Price)	4,00,000
Cash in hand as on 01/04/2013	10,000
Sundry debtors as on 01/04/2013	2,50,000
Office furniture as on 01/04/2013	40,000
Goods invoiced from HO(Invoice Price)	18,00,000
Goods return to HO (Invoice Price)	60,000
Goods returned by debtors	12,500
Cash received from debtors	6,50,000
Cash sales	12,00,000
Credits sales	7,00,000
Discount allowed	3,000
<u>Expenses paid by HO:-</u>	
Salary	40,000
Staff welfare	7,500
Telephone expenses	40,000
Other petty Expenses paid by branch	7,000
stock as on 31/03/2014 (at invoice price)	3,50,000

Depreciation to be provided on furniture @10% p.a

- Q.4 Mr. A prepares accounts on 30th September each year, but on 31st December, 2013 fire destroyed the greater part of stock. Following information was collected from the books: (15)

Particular	Amount Rs.
Stock as on 01.10.2013	2,97,000
Purchase from 01.10.2013 to 31.12.2013	7,50,000
Wages from 01.10.2013 to 31.12.2013	3,30,000
Sales from 01.10.2013 to 3.12.2013	14,00,000

The rate of gross profit is 33.33% on cost. Stock to the value of Rs.30, 000 was salvaged. Insurance policy was for Rs.2, 50,000 and claim was subjected to average clause.

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Additional information:

- 1) Stock in the beginning was calculated at 10% less than cost.
 - 2) A plant was installed by firm's own worker. He was paid Rs.5, 000, which was included in wages.
 - 3) Purchase include the purchases of the plant for Rs.50, 000.
- You are required to calculate the claim for the loss of stock.

OR

Q.4 Find out the amount of claim to be lodged with insurance company from the following information: (15)

Particular	2011 Rs.	2012 Rs.	2013 Rs.	01/01/2014 up to the date of fire.
Opening stock	15,000	--	--	--
Purchases Less- Return	50,000	75,000	90,000	60,000
Sales less- Return	60,000	80,000	1,30,000	84,000
Wages	3,000	5,000	6,000	4,000
Closing Stock	20,000	40,000	50,000	---

During the year 2013 closing stock included goods purchased but not recorded Rs.5, 000. The salvaged stock was valued at Rs.9, 000. The amount of policy was Rs.34, 000. There was an average clause in the policy. The firm closes its books on 31st December every year.

- Q.5 A) Distinguish between Debtors method and Stock & Debtors method. (08)
B) Explain the features of Consignment. (07)

OR

- Q.5 Write a short note on – (Any 3) (15)
- A) Dependent Branch
 - B) Average Clause
 - C) Del Credere Commission
 - D) Conversion method
 - E) Stock Reserve Account