

AT-1277

B.Com. (Part—I) Examination
FINANCIAL ACCOUNTING
(Commerce)

Time : Three Hours]

[Maximum Marks : 70

Note :—(1) Attempt all questions.

(2) All questions carry equal marks.

1. (A) Define the Book-keeping and Accounting. 3

(B) From the Journal entry given below show the Ledger entry in Capital Account :

	Dr.	Cr.
Cash A/c Dr.	25,000	
Building A/c Dr.	2,00,000	
Furniture A/cDr.	15,000	
To Capital A/c		2,40,000

(Being Business started with Cash, Furniture and Building). 3

(C) Record the following transactions of July 2016 in Sales Book of Somnath Brothers :

	Rs.
2016, July, 10 Sold goods to Deepak & Co.	9,450
July, 14 Goods sold to Anil Brothers	6,550
July, 17 Goods sold to Krishna and Co.	7,500
July, 23 Goods sold to Karim	6,500
July, 30 Goods sold to Jayvant	4,000

(D) Prepare a Trial Balance of Kothari Brothers as on 31st March, 2016 :

Particulars	Amount (Rs.)
Salary	5,80,000
Rent and Taxes	1,20,000
Printing and Stationery	80,000
Railway Fare	1,50,000
Discount allowed	2,20,000

Particulars	Amount (Rs.)
Creditors	40,00,000
Debtors	30,00,000
Furniture	2,50,000
Building	35,00,000
Goods A/c (Cr.)	16,00,000
Cash A/c	26,00,000
Drawing	1,00,000
Capital	50,00,000

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OR

(E) Explain the importance of Ledger.

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(F) Prepare Three Coloumn Cash Book from the following transactions :

	Rs.
2016, July, 1 -- Cash in hand	3,600
1 -- Bank Balance	45,000
5 -- Further Capital introduced and deposited into Bank	60,000
12 -- Received cash from Vasant and Discount allowed to him	7,350 150
25 -- Paid to Anusuya by cheque and Discount allowed by him	2,940 60

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(G) Prepare the Purchase Returns Books of Mr. Chandan from the following transactions :

	Rs.
2016, July, 1 -- Returns Goods to Karan	3,600
10 -- Returns Goods to Bharat Traders	2,700
15 -- Returns Goods to Mr. Sumit	5,700
22 -- Returns Goods to Mr. Harish	1,200

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(H) Pass the Journal entries of Mr. Raghunath from the following transactions :

	Rs.	
2016, July, 5 – Sold Goods to Sanjay on cash	2,000	
9 – Purchased Goods from Vijay	4,000	
13 – Purchased Stationery for cash	300	
15 – Sold old Furniture to Jain	4,500	
25 – Cash received from Jay and	4,350	
Discount allowed to him	150	4

2. (A) Prepare 'Trading Account' for the year ended 31st March, 2016 with following balances :

Particulars	Rs.
Opening Stock	35,000
Purchases	1,10,000
Sales	2,00,000
Purchase Returns	3,000
Sales Returns	4,000
Carriage Inwards	7,000
Wages	18,000
Coal and Gas	13,750
Salary	21,000
Closing Stock	90,000

(B) Prepare Balance Sheet as on 31st March, 2016 with the help of following information :

	Rs.
Cash at Bank	3,000
Creditors	2,800
Outstanding Rent	100
Sundry Debtors	5,400

	Rs.
Closing Stock	1,200
Opening Stock	2,400
Capital	20,000
Net Loss	4,800
Prepaid Wages	400
Machinery	6,300
Drawing	1,800

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(C) Pass rectification entries :

- Goods purchased from Mr. Mangesh of Rs. 10,000 but recorded in Sales Book.
- Rs. 5,000 paid on account of salary was debited to personal account of employees.

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(D) Prepare a Profit and Loss Account for the year ended 31st March, 2016 :

Particulars	Rs.
Gross Profit	94,000
Salary	19,500
Rent and Taxes	6,500
Insurance	900
Bad Debts	1,200
Trade Expenses	4,800
Profit on sales of investment	8,000
Interest earned	600

Additional Information :

- Unpaid salary Rs. 2,100
- Rent receivable Rs. 3,000.

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OR

- (E) Prepare Manufacturing Account for the year ended on 31st March, 2016 from the following information :

	Rs.	
Opening Stock :		
Raw Materials	3,60,000	
Work in Progress	1,08,000	
Finished Goods	2,70,000	
Closing Stock :		
Raw Materials	2,70,000	
Work in Progress	90,000	
Finished Goods	3,15,000	
Purchase of Raw Material	25,20,000	
Carriage on Purchases	4,500	
Factory Wages	6,45,000	
Sales of Finished Goods	45,90,000	3

- (F) On the basis of following Balances prepare Balance Sheet of Mr. Rohan as on 31st March, 2016 :

Particulars	Rs.
Capital	2,65,000
Drawing	75,000
Net Profit	84,400
Cash Balance	3,000
Bank Balance	12,600
Stock as on 31.3.2016	81,800
Sundry Debtors	84,000

Particulars	Rs.
Sundry Creditors	86,000
Bills Payable	38,000
Shares of Bajaj Auto Ltd.	37,000
Furniture and Fixture	24,000
Land and Building	1,60,000
R.B.D.D.	4,000

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- (G) From the information given below prepare Profit and Loss Account for the year ended 31st March, 2016 :

Particulars	Rs.
Gross Profit	1,12,000
Salary	54,000
Interest Paid	8,000
Rent Paid	11,000
Commission Paid	7,800
Discount (Cr.)	9,000
Carriage Outward	8,000
Sundry Expenses	5,000
Furniture	14,000

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- (II) Pass Rectifying entries for the following errors :

- Rs. 3,500 were received from Ramesh but this amount was credited in the account of Dinesh.
- Goods of Rs. 2,500 were returned by Santosh, but no record has been made for the same.

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3. Following is the Receipts and Payments Account for the year ended on 31st March, 2016 and Balance Sheet as on 31st March, 2015 of Hanuman Sports Club, Amravati.

Balance Sheet

as on 31st March, 2015

Liabilities	Amt. (Rs.)	Assets	Amt. (Rs.)
Capital Fund	50,000	Sports Material	12,000
Outstanding Salaries	1,200	Furniture	10,000
Subscription for 2016	2,000	Outstanding Subscriptions	1,000
Income and Expenditure A/c	8,000	6% Investments (1 st April, 2015)	20,000
		Cash in Hand	3,200
		Cash at Bank	15,000
	61,200		61,200

Receipts and Payments A/c

for the year ended on 31st March, 2016

Receipts	Amt. (Rs.)	Payments	Amt. (Rs.)
To Cash in Hand (1-4-15)	3,200	By Salaries	3,000
To Cash at Bank (1-4-15)	15,000	By Printing and Stationery	900
To Donation	5,000	By Postage	400
To Entrance Fees	2,000	By Sundry Expenses	200
To Subscriptions	22,000	By Tournament Expenses	4,600
To Sundry Receipts	500	By 6% Investments (on 1-7-2015)	5,000
To Interest on Investment	500	By Sports Material	20,000
To Sale of Old Furniture	2,000	By Cash in Hand (31-3-16)	4,100
(Rs.2,500 on 1-10-15)		By Cash at Bank (31-3-16)	12,000
	50,200		50,200

Additional Information :

- (i) Subscription includes Rs. 3,000 for 2017 and outstanding subscription for current year is Rs. 2,500.
- (ii) One-half donation to be transferred to Capital Fund.
- (iii) Outstanding Salaries for 2016 Rs. 800.
- (iv) Depreciation on Furniture by 10%.
- (v) Sports material on 31st March, 2016 was Rs. 28,800.

You are required to prepare Income and Expenditure A/c for the year ended on 31st March, 2016 and Balance Sheet as on same date. 14

OR

A Company purchased Second-Hand Machinery on 1st April, 2011 for Rs. 1,94,000 and immediately spent Rs. 6,000 on its repairs and erection. On 1st October, in the same year additional machinery costing Rs. 1,00,000 was acquired. On 1st Oct. 2013, the machinery purchased on 1st April, 2011 having become obsolete was auctioned for Rs. 80,000 and on the same date Fresh Machinery was purchased at a cost of Rs. 1,50,000.

Depreciation was provided annually on 31st March at the rate of 10% p.a. on the original cost of the asset. In 2016, however, the firm changed this method to one to written down value method by 15% p.a.

Give the Machinery Account as it would stand at the end of each year from 2011-12 to 2015-16 and also prepare Depreciation Account. 14

4. (A) From the following information, prepare Trading Account of National Consumers Co-operative Society Ltd. for the year ending 31st March, 2016 :

	Rs.	
Stock of Goods (1 st April, 2015)	2,00,000	
Stock of Goods (31 st March, 2016)	1,00,000	
Purchase of Goods	3,00,000	
Sale of Goods	7,50,000	
Inward Return	5,000	
Wages	20,000	
Carriage Inward	12,000	3

- (B) From the following information, prepare Profit and Loss Appropriation Account of Vijay Co-operative Society Ltd. for the year ending 31st March, 2016 :

	Rs.	
Profit as on 31st March, 2015	35,085	
Net Profit as on 31st March, 2016	1,69,500	
Transfer to Dividend Equalisation Fund	25,230	
Dividend Paid	1,13,490	
Transfer to Building Fund	20,000	3

- (C) Prepare the Balance Sheet of Samata Cooperative Society Ltd., as on 31st March, 2016 with the help of following information :

	Rs.		Rs.
Share Capital	8,00,000	Statutory Reserves	15,000
Creditors	80,000	Employees Provident Fund	1,50,000
Debtors	2,00,000	Bills Payable	80,000
Building	6,80,000	Closing Stock	1,80,000
Prepaid Insurance	10,000	Net Profit of Current Year	45,000
Unpaid Salary	10,000	Bank Overdraft	40,000
Provident Funds Investment	1,50,000		

- (D) From the following information, prepare a Cattle Account to ascertain the profit (net Margin) of the Cattle Section for the year ending 31st March, 2016 :

	Value (Rs.)
Opening Stock of Livestock	90,000
Closing Stock of Livestock	1,10,000
Purchase of Cattle	2,05,000
Sales of Cattle	2,12,000
Sales of Slaughtered Cattle	12,000
Sales of Carcasses	1,000
Cattle food	18,000
Wages for rearing	4,500
Slaughter house expenses	500

Crop worth Rs. 5,000 grown in the farm was used for feeding the Cattle, out of calves born 2 died and their carcasses realised Rs. 100.

OR

- (F) Prepare Profit and Loss Appropriation Account of Sujay Co-operative Society Ltd. for the year ending 31st March, 2016 :

	Rs.	
Current Year Profit	2,00,000	
Previous Year Profit	1,00,000	
Dividend Equalisation Fund	25,000	
The paid up Capital is Rs. 4,00,000; make provision for Dividend @ 9%.		
Make provision for Statutory Reserve as per Maharashtra State Co-operative Society Act, 1960.		
		3

- (F) Prepare Profit and Loss Account of Sushil Co-operative Society Ltd. for the year ending 31st March, 2016 :

	Rs.	
Postage and Telegrams	495	
Salary	20,000	
Audit Fee	625	
Director's Allowances	3,750	
Interest (Cr.)	2,500	
Share Transfer Fees	620	
Commission (Cr.)	1,750	
Provident Fund Contribution	10,750	
Gross Profit	45,000	
Depreciation on Building	12,000	3

- (G) Prepare Trading A/c of Uday Co-operative Store for the year ending 31st March, 2016 :

	Rs.	
Opening Stock of Goods	10,000	
Closing Stock of Goods	17,500	
Purchases of Goods (Including Cash Purchases of Rs. 30,000)	2,00,000	
Sale of Goods (Including Credit sale of Rs. 50,000)	2,00,000	
Transportation charges paid on purchases	4,000	
Octroi and Other taxes (Including Sales Tax of Rs. 1,300)	2,000	
Coolie charges paid (Including Rs. 100 for goods sold)	300	
Depreciation on Building	3,000	

- (H) What are the advantages of Farm Accounting ?

5. Prepare a "Statement of Affairs" and "Deficiency Account" as on 31st March, 2016 from the following information :

	Rs.
Cash in hand	1,800
Stock in Trade (Estimated to realise Rs. 3,000)	6,000
Investment in Shares	3,600
Fixture and Fittings (Estimated to realise Rs. 2,400)	3,600
Unsecured Creditors	66,000
Secured Creditors	18,000
Value of security held by Secured Creditors	21,000
Preferential Creditors	1,200
Debtors :— Good	48,000
Doubtful (Estimated to realise 3,000)	12,000
Bad	9,000
Shri Raju started business with Capital of (on 1 st April, 2013)	54,600
Profit : 2013-14 Rs.24,000	
2014-15 <u>Rs.12,000</u>	36,000
Loss : 2015-16	10,800
Total Drawing for whole periods	60,000

14

OR

On January, 2013 Mr. Rambharose commenced his business with capital of Rs. 63,500. His Profit for the years 2013 and 2014 amount to Rs. 55,540. In 2015 he suffered losses of Rs. 25,000. His total Drawing upto December, 2015 were Rs. 90,000.

From the following information prepare "Statement of Affairs" and "Deficiency Account" of Mr. Rambharose.

	Rs.
Cash in hand	2,300
Debtors : Good	70,000
Doubtful	18,000
Bad	<u>15,000</u>
	1,03,000
Stock in Trade	10,000
Furniture and Fixture	5,640
Investment in Shares	5,000
Secured Creditors (Value of securities held by	
Secured Creditors Rs. 35,000)	25,000
Unsecured Creditors	1,30,000
Preferential Creditors for Rent and Taxes	1,900

Assume that the stock realised Rs. 6,660 and Furniture and Fixture realised Rs. 2,820 and Investment realised at book value and the Bad and Doubtful Debts realised Rs. 6,000. 14