

**Note: All questions are compulsory with internal options.**

**All questions carry equal marks.**

**Q.1** Pass journal entries for the following transactions

2006 Aug 1. Manohar commenced business with cash Rs. 30000 and Computer worth 50000.

3. Received fees for providing services to Ramesh Rs.10000.
4. Received advance fees from Dinesh Rs.2500.
6. Took loan from Umesh Rs.50000 at 15% rate of interest for purchase of premises.
10. Stationery expenses incurred Rs. 1005.
20. Paid balance to Mr. Khan who then allowed a discount of 5% on amount payable.
25. Purchased a printer for 3500.
26. Paid Salary for Rs. 2000 and electricity bill Rs. 1080.
30. Maintenance expenses paid Rs.750.
31. Withdrew for personal use Rs. 2500.

**OR**

**Q.1** Pass journal entries for the following transactions in the books of Mukesh  
2006 Sept. 1. Sold personal car and deposited cash received Rs. 40,000.

3. Paid insurance premium Rs.500
5. Purchased shares of XYZ Ltd. worth Rs. 20000 and paid for brokerage Rs.100.
6. Sold goods worth Rs. 9000 less 10% trade discount to Rakesh.
10. Purchased goods worth Rs. 5000 for cash on which Mukesh received 5% discount.
15. Shares purchased on September 5, 2004 are sold for Rs.24000.
20. Ram's balance payable Rs. 1000 was settled by sending him goods worth Rs. 900.
23. Purchased a machinery for factory worth Rs. 15000 and paid Rs. 1000 as carriage.
26. Paid Salary for September Rs. 2000
30. Old typewrite worth Rs. 500 is stolen.

**Q.2** The following are the necessary extracts from the Cash Book and the Pass Book. You are required to prepare a Bank Reconciliation Statement as on 31<sup>st</sup> December 2001.

**Cash Book (Bank Column Only)**

Date	Particulars	Amt.(Rs.)	Date	Particulars	Amt.(Rs.)
2001 Dec. 1	To Balance b/d	400	2001 Dec. 20	By Sharmila	65
5	To Sharda	100	24	By Urmila	150
10	To Smita	50	26	By Pramila	75
16	To Shila	125	31	By Balance c/d	460
20	To Sunita	75			---
		<b>750</b>			<b>750</b>

**Bank Pass Book**

Date	Particulars	Amt.(Rs.)	Date	Particulars	Amt.(Rs.)
2001 Dec. 25	To Sharmila	65	2001 Dec. 1	By Balance b/d	400
27	To Urmila	125	9	By Sharda	100
29	To Ramila	100	16	By Smita	50
31	To Balance c/d	270	25	By Interest	10
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- Q.2** The pass book of Mahendra shows a debit balance of Rs. 6700 on 31.12.2004. Prepare the bank reconciliation statement as on that date from the following particulars:
1. Bank has directly made a payment of Rs. 1250 for rent as per standing instructions.
  2. A cheque Rs. 550 is recorded in cash book, but not sent to bank for collection.
  3. A debtor has directly deposited Rs. 350 in bank account.
  4. Cheques issued amounting to Rs. 2000 were presented to bank in January, 2005.
  5. Cheques deposited amounting to Rs. 1000 were collected by bank in January, 2005.
  6. Bank had debited Rs. 200 for interest on overdraft and Rs. 75 for bank charges.
- Q.3** From the following Trail Balance of Mr. Ajay as on 31<sup>st</sup> March, 2006 prepare final accounts.

Particulars	Debit (Rs.)	Credit (Rs.)
Capital		60000
Drawings	7200	
Stock	20500	
Purchases	68000	
Carriage Inwards	1500	
Sales		140500
Debtors	23500	
Creditors		14300
Cash in Hand	1600	
Cash at Bank	2200	
Carriage outward	1700	
Salaries	16000	
Factory Rent	4000	
Insurance	1200	
Furniture	10000	
Machinery	28000	
Office Rent	2000	
Manufacturing wages	21500	
Provision for Doubtful Debts		1000
Manufacturing Expenses	1500	
General Expenses	5400	
	<b>215800</b>	<b>215800</b>

The Following adjustments are required:

1. Stock on 31<sup>st</sup> March, 2006 Rs. 27000
2. Write off Rs. 500 as Bad debts and Maintain the provision for doubtful debts at 5% on debtors
3. Unexpired insurance Rs.300.
4. Depreciate Machinery by 5% and Furniture by 10%.

OR

Q.3 The following is the Trail Balance of Mr. Amar as on 31<sup>st</sup> March, 2006.

Particulars	Debit (Rs.)	Credit (Rs.)
Cash on Hand	5400	
Cash at Bank	26300	
Purchases	406750	
Sales		987800
Returns Inward	6800	
Returns Outward		5000
Wages	84800	
Fuel and Power	47300	
Carriage Outward	32000	
Carriage Inward	20400	
Opening Stock	57600	
Premises	320000	
Land	100000	
Machinery	200000	
Patents	75000	
Salaries	150000	
Sundry Expenses	30000	
Insurance	6000	
Capital		710000
Debtors and Creditors	145000	63000
	<b>1765800</b>	<b>1765800</b>

Taking into consideration following adjustments, prepare final accounts.

1. Closing stock as on 31<sup>st</sup> March, 2006 Rs. 68000.
2. Depreciation on Machinery and Patents by 10% & 20% respectively.
3. Salaries Due for the month of March Rs.1500.
4. Insurance prepaid is Rs. 200.
5. Reserve 5% for doubtful debts.

Q.4 Prepare unit cost sheet from the following

Selling price per unit	Rs. 50	Raw Material	Rs. 500000
Wages	Rs. 55000	Machine Overheads	Rs. 10000
Salaries	Rs. 50000	Rent (3/4 <sup>th</sup> office)	Rs. 12000
Selling expenses	Rs. 45000	Units produced	20000 and units sold 15000

OR

Q.4 Answer any three:

- a) Distinguish between Personal account and Real Account
- b) What is an account? How are the ledger accounts classified?
- c) List with explanation the subsidiary books.
- d) What are the Advantages of Subsidiary Books?

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