

- Notes :**
- 1) Question No.1 carries 14 marks, while the remaining Questions carry 12 marks each.
 - 2) Question No. 1 and Question No. 2 are compulsory.
 - 3) Question No. 3 carries internal option, i.e. Question No. 3 OR Question No. 3 out of which any one is to be attempted.
 - 4) Question No. 4 carries internal option i. e. Question No. 4 OR Question No. 4 out of which any one is to be attempted.
 - 5) In all, Four Questions are to be attempted.
 - 6) Use of simple 12 - digit non-programmable calculator is allowed.

Q. 1 Following is the Receipts and payments account of Navjeevan sports club for the year ended 31st march, 2010.

Receipts	Rs.	Payments	Rs.
To balance bld	6,500	By Salaries	38,000
To <u>Subscription</u>		By Tournament expenses	8,800
2008-09 2,500		By Rates & taxes	3,000
2009-10 90,000		By Printing & stationery	8,000
2010-11 3,000	95,500	By Electricity Charges	3,800
To Bank interest	850	By Expenses of 2008-09	1,500
To Interest on Investment	1200	By Investment	
To Entrance fees	15,000	(@ 12% on 1.6.2009)	20,000
To Donations	20,000	By Furniture	10,000
To Proceeds from Tournament	10,500	By Sports equipment	
		Purchased	45,000
		By Balance cld	11,450
	1,49,550		1,49,550

Other information :-

- 1) There are total 970 members paying an annual subscription of Rs. 100 each and Rs. 200 is still due towards subscription for the year 2008-09.
- 2) Outstanding salary for the year 2009-10 was Rs. 1,500.

- 4) Value of sports equipments as on 31st march, 2009 was Rs. 85,000 and on 31st march 2010 was Rs. 1,12,000.
- 5) Value of Furniture as on 31st march, 2009 was Rs. 16,000 & on 31st march, 2010 was Rs. 22,000.
- Prepare - 1) Income & Exp. A/C for the year ended 31/3/2010
2) Balance sheet as on 31/3/2010

Q. 2 (Objective)

A) State whether following statements are True or False. Do not give reasons.

- 1) AS-6 applies to machinery.
- 2) Under Reducing balance method of providing depreciation the written down Value of an Asset does not reduce to Zero.
- 3) Debit balance in Trading Account indicates Gross profit.
- 4) Trade-mark is Tangible Asset.
- 5) For a Non-Profit organisation, income received from subscription is a capital receipt.
- 6) Income and Expenditure Account is Nominal Account.

B) Match the following

Group A	Group B
1) Cash and Bank Summary	1) Depreciation Accounting
2) AS - 1	2) Excess of Expenditure over Income.
3) Surplus	3) Gross Profit
4) AS - 6	4) Receipts & Payments Account
5) Manufacturing A/C	5) Accounting for fixed Assets
6) AS - 10	6) Disclosure of Accounting Policies.
	7) Excess of Income over Expenditure
	8) Cost of Production

Q. 3 In each of the following cases, state whether the given item is

- a) Capital Expenditure or
- b) Revenue Expenditure or
- c) Deferred Revenue Expenditure or
- d) Capital Receipt or
- e) Revenue Receipt.

Also give reasons for your classification in each case.

- 1) Purchase of computers for resale.
- 2) Rs. 5,000 spent on installation of Air -conditioner in office.
- 3) Advertisement expenditure Rs. 3,00,000 expected to give benefit for 3 years.
- 4) Furniture manufacturer, received Rs. 1,00,000 from the sale of furniture forming part of his stock of finished goods.
- 5) Sale of old machinery Rs. 3000.
- 6) Daily wages paid to office boy.

OR

- Q. 3** M/s. Goodluck & Co. Purchased 12 machines costing Rs. 10,000 each on 1st April, 2007. It further Purchased a machinery on 1st Oct., 2007 costing Rs. 80,000 and on 1st July, 2008 costing Rs. 40,000.

On 30th June, 2009 four of the machines which were purchased on 1st April, 2007 became obsolete and were sold for Rs. 12,000.

Depreciation is being charged at 15% p. a. on reducing balance method. The firm closes its accounts on 31st March every year.

Prepare :- Following Accounts for 3 years. 2007-08, 2008-09 & 2009-10

- 1) Machinery Account
- 2) Depreciation Account.

- Q. 4** The Trial balance of Mr. Nirman as on 31st March, 2010 was as follows.

Particulars	Rs. Dr.	Particulars	Rs. Cr.
Opening stock		Capital	1,00,000
Ram Materials	25,000	Sales	2,21,000
Work-in progress	12,000	Bills Payable	9,000
Finished goods	16,500	Sundry Creditors	25,000
Carriage Outward	1,000	Sale of Scrap	900
Salaries	10,000	Provision for Doubtful debts	1,300
Wages	13,000	Bank Interest	600
Repairs to office furniture	700	Returns Out ward	1,000
Repairs to plant	1,600		
Cash in hand	800		

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Cash at bank	3,000	
Rent	6,000	
Lighting charges	2,400	
Factory Insurance	3,000	
General expenses	1,800	
Purchases of Raw material	1,02,000	
Returns Inward	2,000	
Bills Receivable	15,000	
Plant & Machinery	1,00,000	
Office furniture	11,000	
Sundry Debtors	32,000	
	3,58,800	3,58,800

Additional Information :-

- 1) Closing stock as on 31st March, 2010 was as follows -
 - Raw material Rs. 17,100.
 - Work in progress Rs. 7,200.
 - Finished goods Rs. 19,800.
 - 2) Following expenses relating to 2009-10 were paid in April, 2010.
 - Salaries Rs. 1,500.
 - Wages Rs. 2,500
 - 3) Lighting expenses to be distributed between factory and office in 2:1 ratio.
 - 4) Factory occupied $\frac{2}{3}$ rd of the total area.
 - 5) Provision for doubtful debts is to be maintained at 5%
 - 6) Depreciate :-
 - Plant and machinery @ 15% p. a.
 - Furniture @ 10% p.a.
- You are required to prepare the following :-
- a) Manufacturing Account for the year ended 31.3.2010.
 - b) Trading and Profit and loss Account for the year ended 31.3.2010, and
 - c) Balance sheet as on 31.3.2010.

P.T.O.

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OR

Q. 4 Write short notes on any three :-

- 1) Accounting standards
- 2) AS -2
- 3) Non-profit organisation and its accounting.
- 4) Provision for Depreciation Account.
- 5) Deferred Revenue Expenditure.



Receipts		Payments	
By Balance b/d		By Balance b/d	45,000
By Cash	1,00,000	By Cash	1,00,000
By Bank	20,000	By Bank	20,000
By Donations	50,000	By Printing & Stationery	10,000
By Interest	10,000	By Electricity Charges	5,000
By Other Income	10,000	By Salaries of 2008-09	10,000
To Balance c/d	1,52,500	By Depreciation	10,000
		By (Loss on 1.5.2009)	20,000
		By Furniture	10,000
		By Equipments	45,000
		By Balance c/d	11,450
	1,52,500		1,49,550

Order information :-
 We have total 374 members having an annual subscription of Rs. 100 each
 and Rs. 200 each for two years subscription for the year 2008-09.

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