

Time : 2 hrs

CODE - RUNNER

Mark : 50

- Instructions :
- 1) Question No. 1 carries 14 Marks, and remaining questions carry 12 marks each
 - 2) Question No. 1 and Question No. 2 are compulsory
 - 3) Question No. 3 contains internal option i.e. Q. No. 3 OR Q. No. 3, out of which, any one is to be attempted
 - 4) Similarly, Question No. 4 also contains internal option i.e. Q. No.4 OR Q. 4 out of which any one is to be attempted
 - 5) In all, four questions are to be attempted, i.e. Q. 1, 2, 3 and 4.

Q.1 M/s. Fire wall Ltd. suffered loss of stock due to fire in their organisation on 14th May, 06. He came to you with the following details and you are required to prepare a statement of Insurance claim to be submitted to the insurance co.

- A) 1) Details for the year ending 31-03-06

Particulars	Rs.
1. Stock as on 31-03-05	1,25,000
2. Wages	20,000
3. Stock as on 31-03-06 including stock of poor selling line	60,000
4. Purchases	1,25,000
5. Sales	4,00,000

- 2) Included in above wages are prepaid wages of Rs. 5000
- 3) Purchased during the year ending 31st March, 05 is stock costing Rs. 16,000 which was valued at Rs. 8000 and included in closing stock as on 31st March, 05 because of poor selling line.
- 4) Sales for the above period include sale of 1/4th of the stock at Rs. 2000 having poor selling line.

- B) 1) Details for the period ending on 14th May, 06.

- a) Purchases upto 14th May, 06 Rs. 1,82,085
- b) Sales upto 14th May, 06 Rs. 1,84,685
- c) Wages paid during the period from 01-04-06 to 14-05-06 Rs. 5000 excluding opening prepaid

- 2) Sale includes sale of 1/3rd of the remaining stock which had a poor selling line for Rs. 1600

- C) 1. Remaining stock which had a poor selling line was considered at 40% of original cost for the purpose of Insurance claim
2. Salvage was Rs. 5000
 3. Insurance policy was of Rs. 1,50,000 subject to an average clause

Q.2 Mr. Raja Babu maintains his accounts on single entry system. From the following information as on 31-03-07 you are required to prepare final accounts.

1.	Gross profit is $33\frac{1}{3}\%$ of cost price		
2.	Particulars	1.4.06	31.03.07
	a) Creditors	8,25,000	5,40,000
	b) Debtors	10,50,000	13,50,000
	c) Bills receivable	2,55,000	?
	d) Bills payable	1,20,000	?
	e) Plant	1,35,000	2,25,000
	f) Stock	6,75,000	?
	g) Cash	?	5,40,000

3. Additional Information

- a) Bills payable accepted Rs. 7,65,000
- b) Bills payable paid Rs. 4,50,000
- c) Bills receivable received Rs. 4,05,000
- d) Cash Received from Bills Receivable Rs. 4,50,000
- e) Cash collected from Debtors Rs. 54,00,000
- f) Return Inward Rs. 2,60,000
- g) Cash sales 10,00,000
- h) Payment to creditors Rs. 46,00,000
- i) Discount allowed Rs. 95,000
- j) Discount received Rs. 90,000
- k) Trade Exps. Rs. 13,20,000
- L) Depreciation on Plant Rs. 25,000 is to be provided on Rs. 2,25,000

Q.3 Metro shoes is having a branch at thane, Goods were sent to thane branch at 20% profit on sale. Thane branch sends cash daily to Head office All the expenses are paid by Head office, except petty cash expenses which are met by branch manager from the following particulars prepare Thane Branch Account in books of Head office of Metro shoes as on 31-03-07

Particulars	Rs.
Stock on 01-04-06 at Invoice price	15,000
Sundry debtors on 01-04-06	9,000
Cash in hand on 01-04-06	4000
Office furniture on 01-04-06	1200
Goods invoices from Head office at invoice price	80,000
Goods returned to Head office	1,000
Goods returned by debtors	480
Cash received from debtors	30,000
Cash sales	50,000
Credit sales	30,000
Discount allowed to debtors	30
<u>Expenses paid by head office</u>	
a) Rent	1200
b) Salary	2400
c) Stationary & Printing	300
Petty cash expenses by Manager	280
Stock on 31-03-07 at invoice price	14480

OR

- Q.3** Following is the trial balance of a departmental store having 3 departments i.e. I, II, & III. Prepare departmental trading account and profit and loss account for the year ended 31st March, 07 after considering the following information.
1. Stock as on 31-03-07 for Dept I – Rs. 46,000, II Rs. 38,000 and III Rs. 4,500.
 2. Rs. 2000 is to be written off as bad debts and 5% is to be provided for doubtful debts
 3. Depreciation to be charged at 10% on machinery and 5% on building
 4. Salary Exps to be allocated in the ratio of 2 : 2 : 1
 5. Total Area of the departmental store is 1000 sq. feet out of which Department I occupies 400 sq. feet and department II occupies 200 sq. feet.

Trial Balance as on 31st March, 07

Particulars	Rs.	Particulars	Rs.
Sundry debtors	1,64,000	Sundry Creditors	82,300
<u>Opening stock</u> I – 20,000		Sales I – 2,40,000	
II – 16,000		II – 87,850	
III – <u>18,000</u>	54,000	III – <u>1,40,000</u>	4,67,850
Cash in hand & Bank	3,400	Bills payable	35,000
Machinery I – 20,000		Capital	2,29,000
II – 40,000			
III – <u>40,000</u>	1,00,000		
Trade Exps	20,000		
Carriage outward	800		
Salaries	14,450		
Rent	11,800		
<u>Building</u> I – 40,000			
II – 80,000			
III – <u>80,000</u>	2,00,000		
<u>Purchase</u> I – 1,10,000			
II – 70,000			
III – <u>57,500</u>	2,37,500		
Discount	2,200		
Insurance of Machinery	3,000		
Insurance of Building	3,000		
	<u>8,14,150</u>		<u>8,14,150</u>

Note : You need not prepare Balance sheet

Q.4 The following information relating to M/s. Black & White is available for the year ended 31-03-06.

Particulars	1.4.05	31.3.06
Cash in hand	7500	12000
Cash at Bank	12500	18000
Sundry debtors	1,00,000	1,10,000
Sundry creditors	60,000	40,000
Bills receivable	20,000	35,000
Bills payable	5000	10,000
Land & Building	50,000	50,000
Furniture	15,000	15,000
Stock	50,000	68,000

Additional Information

1. Mr. Black & Mr. White will share profits & losses in the ratio of 2 : 1 respectively
2. Partners are entitled to interest on opening capital balance only at 6% p.a. and interest charged on Mr. Black & Mr. White drawings were Rs. 2000 & 1400 respectively.
3. Depreciated
 - a) Furniture @ 10% p.a.
 - b) Land & Buldg @ 2%
4. Provide for doubtful debts @ 5% on debtors
5. Additional Capital Introduced

Mr. Black	Rs. 70,000
Mr. White	Rs. 30,000
6. Drawing during the year

Mr. Black	Rs. 50,000
Mr. White	Rs. 40,000
7. Capital of Mr. Black as on 01-04-05 is Rs. 90,000

You are required to prepare the following :

- a) Statement of profit or loss for the year ended 31-03-06
- b) Revised statement of affairs as on 31-03-06 showing there in full details of partners capital account

OR

Q.4 Write short notes on the following (Any Three)

- a) Purpose of preparation of Departmental Final Accounts
- b) Advantages of maintaining Branch stock account under stock and debtors method in Branch Accounting
- c) Importance of Estimating Gross profit Ratio for fire Insurance claim
- d) Limitation of single entry system of Accounting