- N.B.: 1) Question No.1 carries 14 marks, and the 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) Question No.4 contains internal option i.e. Q.No. 4 OR Q.No.4 out of which any one is to be attempted.
  - 5) In all, four questions are to be attempted.

# Q. 1 Alpha Trading Co. has two Departments A and B. The following balances for the year ended 31st March, 2007 were extracted from the books of the business

Trial Balance as on 31/03/2007

	Dr.	Cr.
	Rs.	Rs.
A.L. Phatak's Capital		1,54,000
SBI Loan (@ 12% p.a.)		2,00,000
Sundry Creditors		60,000
Building	2,00,000	
Furniture	16,000	
Opening Stock : Dept. A	40,000	
" : Dept. B	32,000	
Sundry Debtors	90,000	
Cash and Bank	88,000	
Purchases : Dept. A	4,00,000	
" : Dept. B	3,00,000	
Sales : Dept. A	ļ	5,00,000
" : Dept. B		4,00,000
Electricity charges	22,000	
Advertising	27,000	
Depreciation	6,600	
Salaries	28,000	
Commission paid	36,000	
Miscellaneous expenses	4,400	
Interest on ABI Loan	24,000	
Total	13,14,000	13,14,000

# **Additional information:**

- 1) Space occupied by the Dept. A & B is in the ratio of 6:5,
- Electricity charges and depreciation are to be apportioned in the ratio of space occupied.

- 3) Salaries are to be apportioned to Dept. A & B in the ratio of 4:3 respectively.
- 4) Interest is not to be allocated to the departments. The remaining expenses are to be apportioned to the two departments equally.
- 5) Closing stock on 31/03/2007 was valued as follows:

Dept. A Rs. 60,000

Dept. B Rs. 48,000

Prepare

- a) Columnar Departmental Trading Account
- b) Columnar Departmental Profit & Loss Account
- c) General Profit and Loss Account, and
- d) Balance Sheet as on 31/03/2007.

# Q. 2 Answer each of the following six objective sub - questions carrying 2 marks each. Supporting working notes is optional.

a) Cash Sales

Rs. 40,000

Credit Sales

Rs. 2,00,000

Sales Returns

Rs. 10,000

Gross Profit is 20% on sales Find out amount of Gross Profit.

b) Opening Stock

80,000

Closing Stock

1,10,000

**Credit Purchases** 

5,40,000

Purchase Returns

14,000

Net Sales

Rs. 9,60,000

Gross Profit

Rs. 3,84,000

Find out Cash Purchases

c) Net Sales

Rs. 6,20,000

Cost of goods sold

Rs. 5.10,000

Hence, gross profit will be

- i) Rs. 11,30,000
- ii) Rs. 1,10,000
- iii) Cannot be found out

d) Stock on 28/03/2007

Rs. 17,000

Purchases from 28/03/2007 to 31/03/2007

Rs. 3,000

Sales from 28/03/2007 to 31/03/2007

Rs. 4,000

**Gross Profit** 

25 % on sales

Find out stock at cost on 31/03/2007

e) Total Net Profit

Rs. 20,000

Dept. A's Net profit

Rs. 50,000

There are only 2 Depts. A & B. So Dept. B has

- i) earned Net Profit of Rs. 30,000
- ii) Suffered a Net loss of Rs. 30,000
- f) Credit sales of furniture by a cloth shop will be recorded in
  - .i) Sales Day Book
  - ii) Cash Book
  - iii) Journal Proper.

Q.3 Anand was the proprietor of a small trading business "Sadanand Stores". He did not keep proper records of his transactions.

However the following details are available from the records kept by him.

<u>Particulars</u>	31-3-2006	31-3-2007
Building	5,52,000	5,52,000
Stock	1,84,000	2,53,000
Debtors	3,68,000	4,14,000
Cash and Bank	1,38,000	3,70,300
Loan from SBI	3,45,000	4,60,000
Creditors	3,22,000	3,45,000

# Transactions during the year ended 31-03-2007

	Rs.
Cash sales	2,07,000
Cash Purchases	?
Sales Returns	23,000
Purchase Returns	18,400
Cash received from Debtors	19,55,000
Cash paid to Creditors	12,28,200
Salaries paid	1,77,100
Interest paid on SBI Loan	50,600
Other business expenses paid	2,80,600
Anand's drawings	1,65,600

## **Additional information:**

- Depreciation on Building is to be provided for the year @5% p.a. on the reducing balance method.
- b) Salaries Rs. 16,100 and Interest on Bank Loan Rs. 4,600 were outstanding as on 31-03-2007.

You are required to prepare Trading and Profit and Loss Account of Sadanand stores for the year ended 31-03-2007 and also the balance sheet as on that date.

OR

# Q.3 The Balance Sheet of Mr. Patwari as on 31st March, 2007 was as follows:Balance Sheet as on 31/03/2007

Datance Crieet as Cri 3 1/03/2007			
Liabilities	Rs.	Assets	Rs.
Patwari's Capital	88,000	Machinery	80,000
SBI Loan @12% p.a.	1,00,000	Furniture	8,000
Sundry Creditors	48,000	Stock	60,000
		Sundry Debtors	72,000
		Cash and Bank	16,000
	2,36,000	,	2,36,000

#### The following transactions took place during the month of April 2007

<u>Date</u>	Transaction	Amount Rs.
2/4/07	Received from Debtors	36,000
6/4/07	Paid to Creditors	24,000
10/4/07	Credit sale to A & Co.	32,000
14/4/07	Credit purchase from B & Co.	20,000
18/4/07	Paid rent for April 2007	6,000
30/4/07	Paid wages for April 2007	5,500
30/4/07	Paid salaries for April 2007	4,800
30/4/07	Paid interest on SBI Loan for April 2007	1,000

#### You are required to :-

- a) Record the above transactions in the proper subsidiary books.
- b) Open all Ledger Accounts and post the above transactions to the Ledger.
- c) Balance all the ledger accounts on 30/4/07.
- d) Prepare a Trial Balance as on 30/4/2007.
- Q. 4 From the following details relating to material 'MPR' extracted from the books of Dolphin Engineering works, you are required to prepare the "Stores Ledger Account" of material 'MPR' for the three months ended 31st December 2007, following FIFO method of pricing of issues:-

<u>Date</u>	Particulars
1/10/2007	Balance in stock 600 kgs @ Rs. 27 per kg.
5/10/2007	Received 700 kgs. purchased @ Rs. 26 per kg.
7/10/2007	Issued 700 kgs. to factory
2/11/2007	Received 200 kgs purchased @ Rs. 27 per kg.
4/11/2007	Issued 700 kgs to factory.
3/12/2007	Received 500 kgs purchased @ Rs. 28 per kg.
31/12/2007	Issued 300 kgs to factory.

The Stores Ledger Account must show lot-wise computation of quantities, rates and amounts in respect of each receipt, each issue, and the balance after each transaction.

### OR

## Q. 4 Write short notes on (Any Three)

- a) Computerised accounting system
- b) Weighted Average method of stock valuation.
- c) Use of coding in computerised Accounts.
- d) Disadvantages of Single Entry System.