

Instructions :

- 1) Solve all questions after exercising internal option.
- 2) All questions carry equal marks.

Q.1

5 Marks each

- 1) What are the objectives of Financial Accounting ?
- 2) What are Accounting Policies ? Give Six examples of areas in which different Accounting Policies can be followed by Companies.
- 3) Explain in brief - Journal and Ledger.

OR

Q.1

5 Marks each

- 1) Who are the users of Financial statements generated by the Company ?
- 2) What are the requirements of AS-1 regarding disclosure of Accounting Policies ?
- 3) Explain the meaning, objectives and Advantages of IFRS.

Q.2

1) State with reasons whether the following items are capital, revenue or deferred revenue. [10]

- 1) Replacement of petrol Engine of bus with diesel engine.
- 2) Recovery of debts written off as bad debts earlier.
- 3) Salaries paid to salesmen.
- 4) Cash received from sale of old machinery Rs. 10,000 by a manufacturing Co.
- 5) Cost of market research of new product.

2)

[5]

Disha drew a bill on Nisha for Rs. 15,000; which Nisha accepted & sent it back to Disha. The payment of bill was received on due date.

Pass Journal entries separately in the books of Disha under following circumstances.

- i) If Disha retains the bill till due date and gets the payment.
- ii) If Disha discounts it with her bank for Rs. 14,700.
- iii) If Disha endorses it to Misha in lieu of his debt of Rs. 15,000.
- iv) If Disha sends Nisha's bill to bank for collection and bill is honoured on due date.

OR

Q.2. 1)

[10]

Prepare Bank Reconciliation statement in the books of Beta Ltd. for the month ended 31st January 2013.

- i) Beta Ltd.'s Cash book shows a bank balance of Rs. 90,000 on 31.01.2013.

P.T.O.

- ii) A cheque of Rs. 9,000 given by Dazzle Ltd. deposited in bank has been dishonoured.
- iii) The bank has charged Rs. 100 as bank charges for dishonoured cheque.
- iv) Cash deposited directly in bank by Rama Rs. 21,000.
- v) Cheque issued by Sham Rs. 15,000 presented in bank; but not cleared in RBI.
- vi) Cheque issued to Radha Rs. 25,000; not yet presented for payment to Bank.

2)

[5]

On 1st January 2010, Surekha purchased a Car on Hire Purchase System.

The terms of Contract were as under.

- i) The Cash Price of the Car was Rs. 6,50,000.
- ii) Rs. 2,00,000 was down payment.
- iii) The balance was to be paid in 3 annual instalments of Rs. 1,50,000. each plus interest on 31st December every year.
- iv) Interest Chargeable on the outstanding balance was 6% p.a.

You are required to prepare for 3 years a statement showing calculation of Interest.

Q. 3.

[15]

Samudra Textiles Ltd. has imported a machinery on 1st July 2010 for Rs. 4,80,000 and the Company paid custom duty and freight Rs. 2,40,000 and incurred installation charges Rs. 1,80,000.

Another Indian machinery costing Rs. 3,00,000 was purchased on 1st January 2011.

On 1st July 2012, a portion of imported machinery valued 1/3rd was slightly impaired and was sold for Rs. 1,04,400.

Another machinery was purchased on 1st July 2012 to replace the same for Rs. 1,50,000.

Depreciation is to be calculated at 20% p.a. on original cost.

Show the Machinery Account in the books of Samudra Textiles Ltd. for the Calender years 2010, 2011 and 2012 using Fixed Instalment Method.

OR

Q. 3. 1)

[8]

Ganesh Ltd. has authorised capital of Rs. 25 lakh divided into 2,50,000 equity shares of Rs. 10 each.

- 1) Through the prospectus the company invites application for 1 lakh equity shares.

The terms for payment are as under :-

	Rs.
On Application	4
On Allotment	3
On First & Final Call	3

- 2) The prospectus states that in addition to above 30,000 fully paid equity shares will be issued to the vendors as payment in lieu of Sundry assets worth Rs. 3 lakhs purchased from them.
- 3) Applications were received for 1,25,000 shares. Excess amount was refunded.
- 4) Amount due on allotment was received in full.
- 5) On 2,000 shares First and Final call money was not received.

You are required to pass Journal Entries in the books of Ganesh Ltd. for above transactions.

- 2) [7]
Following Particulars given in respect of material "B" of Glassgow Ltd. Prepare a stores Ledger Account showing the receipts & issues priced on weighted Average method for January 2013.

Particulars	date	details
1) Opening Stock	1.01.2013	200 units at 3.50 Rs. per unit
2) Puchases (Rceipts)		
a)	3.01.2013	300 units at Rs. 4.00 per unit
b)	13.01.2013	900 units at Rs. 4.30 per unit
c)	23.01.2013	600 units at Rs. 3.80 per unit
3) Sales (Issued)		
a)	5.01.2013	400 units
b)	15.01.2013	600 units
c)	25.01.2013	400 units
d)	27.01.2013	200 units

Q. 4.

[7]
Following information is given in respect of certain items of Tendulkar sports club. You are required to show them in the Income and Expenditure Account and Balance sheet for the year ended 31st March 2012.

Particulars	Amt. in Rs.
Sports Fund as on 1.04.2011	3,00,000
Sports Fund Investments	3,00,000

Interest on sports Fund Investment	30,000
Donation for sports Funds	1,20,000
Sports Prizes Awarded	90,000
Expenses on sports Events	30,000
General Fund	4,50,000
General Fund Investments	4,50,000
Interest on General Fund Investments	45,000

2)

[8]

1) The net profits of the firm after taxation for the last five years were.

Year ended 31st March	Amt. in Rs.
2008	1,60,000
2009	2,00,000
2010	2,40,000
2011	2,50,000
2012	4,00,000

2) Capital employed in the business is Rs. 20,00,000.

3) Normal Rate of Return is 10%.

4) Calculate the value of goodwill by capitalisation of super profit method.

OR

Q. 4.

[15]

Following is the Trial Balance of Pujari & Sons as on 31st March 2012.

Particulars	Debit Rs.	Credit Rs.
Capital		2,50,000
Machinery	1,75,000	
Building	26,500	
Furniture	15,000	
Purchases	2,50,000	
Bills Payable		20,000
Sales		3,00,000
Bills Receivable	25,000	
Return Inwards	5,000	
Return Outwards		12,500
Sundry Debtors	75,000	
Sundry Creditors		1,00,000
Drawings	7,500	
Stock as on 1st April 2011	50,000	
Salaries (11 months)	27,500	
Wages	25,000	
Insurance	7,500	
General Expenses	5,000	
Commission received		7,500
10% Loan (taken on 1.10.2011)		25,000

P.T.O.

Interest on Loans	1,000	
Bad debts	2,500	
Advertisement	20,000	
Reserve for Doubtful Debts		2,500
	7,17,500	7,17,500

Adjustments

- i) Stock as on 31st March 2012 Valued at Rs. 1,12,500.
- ii) Depreciate Machinery at 10% p.a.
- iii) Out of the debtors, Rs. 2,500 are bad. Provide R. D. D. at 5%.
- iv) Wages outstanding Rs. 1,250.
- v) Insurance is prepaid to the extent of Rs. 500.

From the above Trial Balance & the adjustments, Prepare Trading & Profit & Loss A/c. for the year ended 31st March 2012 & a Balancesheet on that date.

