

Date: 19.11.2019

Time : (2½ Hours)

Total Marks: 75

- N.B. (1) All questions are compulsory.
(2) Figures to the right indicate marks for respective sub questions.

Q.1 A Fill in the blanks. (Any 8) (8)

- (i) Accounting standard - 9 deals with _____
(ii) Accounting standard - 1 deals with _____ .
(iii) Accounting standard - 2 deals with _____
(iv) _____ issues accounting standard in India.
(v) _____ is non recurring in nature..
(vi) Under _____ method it is assumed that goods issued are first units that were purchased.
(vii) Initial payment made on signing the agreement is _____ .
(viii) Drawings are deducted from _____
(ix) _____ is recurring in nature.
(x) _____ is the amount inclusive of principle and interest paid at the end of certain period.

B Match the following. (Any7) 7

Column A		Column B	
1	Goodwill	A	Fictitious assets
2	Vehicles	B	Intangible assets
3	Depreciation	C	Tangible assets
4	Right of Ownership	D	Apportioned on the basis of assets value
5	Preliminary expenses	E	After payment of last installment
6	Inventory valuation	F	Last come first basis
7	Revenue recognition	G	First come first basis
8	Disclosure of accounting policies.	H	AS-2
9	FIFO	I	AS-1
10	LIFO	J	AS-9

Q.2 (A) Okaya ltd has two departments P and Q. the following balance have been extracted from their books as on 31-12-2016 (15)

Particulars	Debit	Credit
Opening stock	2500	2000
Purchases	118000	82000
Sales	150000	100000
Salaries of staff	10000	7500
Salesman commission		7500
Lighting		1200
Repairs to premises		250
Audit fees		2500
Purchases expenses		600

The proportion of the total area occupied by loss account P $\frac{2}{3}$ and Q $\frac{3}{5}$.
Prepare the departmental trading and profit & loss account as on 31-12-2016.
Apportion the expenses on suitable basis and show the details in working note.

OR

- (B) Prepare P & L A/c for the year ended 31st March 2019. (15)

Particulars	Rs.
Gross profit	30000
salaries	10000
Advertising	800
Postage	500
Printing	200
Rent	2500
Discount allowed	1200
Discount received	1500
Packing charges	400
Rates & taxes	1800
Insurance	1500
Carriage outward	500

- Q.3 (A) Ram Ltd purchased a machine from Bharat Ltd on hire purchase system. (15)
Total cost of the machine is Rs.1500000, payable 20% down and 4 annual installments of Rs.420000, Rs.390000, Rs.360000 and Rs.330000 at the end of the first, second, third and fourth year respectively.
Calculate interest included in each years instalment assuming that sales were made at the beginning of the year.

OR

- (B) State with the reason whether the following receipt are capital or revenue. (15)
1. Purchase of machinery for cash Rs.1000000.
 2. Wages paid to workers for converting raw materials into finished goods.
 3. Money raised by issue of equity shares.
 4. Subsidy received from state government.
 5. Profit of Rs.5000 realized on the sale of investment.
 6. Advertisement campaign for a new product.
 7. Plant and machinery which stood in the books at Rs.150000 included in machine at a book value of Rs.3400. This being obsolete, was sold off at Rs.900 and was replaced by a new machine which cost Rs.4800.

- Q.4 (A) Prepare a store ledger account from the following transactions (15)
assuming that issues of stores have been made on the principle on First in first out.

Dates	Transactions	Units	Per unit cost
2/1/2019	Purchased	2000	Rs.4
20/1/2019	Purchased	250	Rs.5
5/2/2019	Issued	1000	-
10/2/2019	Purchased	3000	Rs.6
12/2/2019	Issued	2000	-
2/3/2019	Issued	500	-
5/3/2019	Issued	1000	-
15/3/2019	Purchased	2250	Rs.5.50
20/3/2019	Issued	1500	-

OR

(B) Prepare P & L A/c for the year ended 31st March 2019. (15)

Particulars	Rs.
Gross profit	15000
salaries	5000
Advertising	400
Postage	250
Printing and stationery	180
Rent	2500
Interest on loan	400
Discount (Dr)	600
Discount (Cr)	750
Interest on bank overdraft	250
Sales salaries	2600
Packing expenses	200
Rates & taxes	900
Insurance	750
Commission received	1800
Dividend on investment	1700
Donation	350
Carriage outward	480
Apprentice premium	160

Q.5 (A) Explain the departmental accounting? (8)

(B) What is called capital expenditure? (7)

OR

(B) Give short notes. (Any 3) (15)

- 1.Hire purchases
- 2.FIFO
- 3.LIFO
- 4.Revenue recognition
- 5.Inventory valuation
