

[Time:2.30 Hrs.]		[Marks:75]
Please check whether you have got the right question paper.		
N.B:	1. Q.1 would be compulsory and would carry 20 Marks. 2. Q.8 would be compulsory and would carry 15 Marks. 3. Students have to attempt any four out of the remaining six Questions (Q.2 to Q.7) and within each question; students have to attempt any two out of three sub – questions. 4. Figures to the right indicate full marks.	

Q.1	Fill in the blanks choosing the correct alternatives. 1) It is generally assumed that the business will not liquidate in the near foreseeable future because of _____. a) going concern concept b) Money measurement concept c) Cost concept d) consistency concept 2) The amount of depreciation reduces year after year under _____. a) Fixed Instalment Method b) Written Down Value Method c) Depreciation Fund Method d) Revaluation Method 3) Surplus of income over expenses is _____. a) Profit b) Deficit c) Loss d) Financial Statements 4) If the cost of the computer is Rs.4,00,000 and depreciation is to be charged at 8% p.a. calculate the amount of depreciation. a) Rs.30000 p.a. b) Rs.32000 p.a. c) Rs.42000 p.a. d) Rs.800 p.a. 5) Radhika's Account is a type of _____ account. a) Nominal b) Personal c) Real d) Expenses 6) Decrease in the amount of creditors results in _____. a) Increase in cash b) decrease in cash c) increase in assets d) increase in liabilities 7) Rent Account is _____ A/c a) Nominal b) Personal c) Real d) Expenses 8) The system which keeps records continuously is _____. a) Perpetual inventory system b) Periodic inventory system c) Physical inventory system d) proper inventory system 9) _____ means explanation of the transactions recorded in the Journal. a) Narration b) Journalising c) posting d) Casting 10) Outstanding Expenses are related to _____. a) Current year b) Next year c) Last year d) previous year 11) Cash flow from financing activity includes _____. a) issue of equity shares b) Purchase of furniture c) Sale of Plant and Machinery d) purchase of investment 12) In case of a credit transaction one of the accounts must be a _____ account. a) Cash b) assets c) Personal d) income 13) Discount allowed on issue of shares is _____. a) Revenue Expenses b) Capital Expenses c) Deferred Revenue Expenses d) Capital Receipt 14) The word 'ethics' is derived from the Greek Word _____. a) ethos b) etho c) ethu d) eto 15) Received interest on investment Rs.2,500 _____. a) Capital Expenses b) Deferred Revenue Expenses c) Capital Receipt d) Revenue Receipt 16) The cost which remains constant irrespective of output upto capacity limit is _____. a) Variable cost b) Product cost c) Selling cost d) Fixed cost	20
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	<p>17) Every transaction has _____ effect. a) single fold b) two-fold c) four fold d) three fold</p> <p>18) When closing stock is undervalued _____. a) Profit is overstated b) Profit is understated c) No effect on profit d) No effect on loss</p> <p>19) The costing which determines cost after it has been actually incurred is _____ costing. a) standard b) estimated c) historical d) marginal</p> <p>20) Select the correct formula for calculation of the working capital _____. a) Current assets + current liabilities b) current assets – current liabilities c) Current assets/current liabilities d) Current liabilities – Current assets</p>																																																	
Q.2	<p>Any two from (a) or (b) or (c) ----- (5x2) = 10 Marks</p> <p>(a) Define the term error. What are the different types of errors?</p> <p>(b) Write a short note on the inventory turnover ratio.</p> <p>(c) From the following information of Sheth Ltd, prepare Statement of changes in Working Capital.</p> <table><tr><td>Liabilities</td><td>2022 Rs.</td><td>2023 Rs.</td><td>Assets</td><td>2022 Rs.</td><td>2023 Rs.</td></tr><tr><td>Equity Share Capital</td><td>200000</td><td>260000</td><td>Plant</td><td>200000</td><td>230000</td></tr><tr><td>Profit & Loss A/c</td><td>50000</td><td>30000</td><td>Furniture</td><td>90000</td><td>130000</td></tr><tr><td>Debenture</td><td>80000</td><td>120000</td><td>Stock</td><td>50000</td><td>67000</td></tr><tr><td>Sundry Creditors</td><td>120000</td><td>90000</td><td>Debtors</td><td>75000</td><td>85000</td></tr><tr><td>Bills Payable</td><td>25000</td><td>30000</td><td>Bank</td><td>60000</td><td>18000</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td>475000</td><td>530000</td><td></td><td>475000</td><td>530000</td></tr></table>	Liabilities	2022 Rs.	2023 Rs.	Assets	2022 Rs.	2023 Rs.	Equity Share Capital	200000	260000	Plant	200000	230000	Profit & Loss A/c	50000	30000	Furniture	90000	130000	Debenture	80000	120000	Stock	50000	67000	Sundry Creditors	120000	90000	Debtors	75000	85000	Bills Payable	25000	30000	Bank	60000	18000								475000	530000		475000	530000	10
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Q.3	<p>Any two from (a) or (b) or (c) ----- (5x2) = 10 Marks</p> <p>(a) Write a note on cash flow from financing activities.</p> <p>(b) Discuss in detail the term accounting cycle.</p> <p>(c) State whether the following expenditure or receipts are capital or revenue or deferred revenue. Give reasons for your answers.</p> <p>i. A machinery costing Rs.2,00,000 was sold for Rs.2,15,000.</p> <p>ii. Goods costing Rs.30,000 distributed free of cost amongst the workers.</p> <p>iii. Payment for purchase of stationery.</p> <p>iv. Payment of a loan taken earlier.</p> <p>v. Payment for heavy inaugural expenses of a Branch office.</p>	10																																																
Q.4	<p>Any two from (a) or (b) or (c) ----- (5x2) = 10 Marks</p> <p>(a) Write a short note on the accrual concept.</p> <p>(b) What is deferred revenue expenditure?</p> <p>(c) Relief Ltd purchase a Machine costing Rs.10,00,000 on 1st April 2020. Relief Ltd writes off depreciation @20% p.a. on Fixed instalment Method every year. The books are closed on 31st March every year. On 1st January, 2023, Relief Ltd sold the plant for Rs.7,50,000. Prepare Machine Account and Depreciation Account till 31st March,2023.</p>	10																																																
Q.5	<p>Any two from (a) or (b) or (c) ----- (5x2) = 10 Marks</p> <p>(a) What is the cost Centre? Explain different types of cost centres.</p> <p>(b) Write a note on the importance of Fund Flow Analysis.</p> <p>(c) From the following figures, calculate the Economic Order Quantity (EOQ).</p> <table><tr><td>Annual Consumption of Material</td><td>48000 Units</td></tr><tr><td>Cost of placing one order</td><td>Rs.120</td></tr><tr><td>Material cost per unit</td><td>Rs.20 per Units</td></tr><tr><td>Storage and carrying cost</td><td>10% of average inventory</td></tr></table>	Annual Consumption of Material	48000 Units	Cost of placing one order	Rs.120	Material cost per unit	Rs.20 per Units	Storage and carrying cost	10% of average inventory	10																																								
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Q.6

(a) Write a short note on the store ledger Account.

(b) What is voucher? What are different types of vouchers?

(c) Prepare the trial balance from the following account balances as on 31-03-2023 of Hamit Traders.

Sr. no.	Particular	Amount Rs.
1	Wages	16,000
2	Capital	1,00,000
3	Sales Returns	24,000
4	Goods withdrawn by Hamit for Personal use	16,000
5	Factory Rent	4,200
6	Stock	1,47,000
7	Sales	2,99,200
8	Purchases	1,90,000
9	Purchases Returns	6,400
10	Manufacturing Expenses	8,400

Q.7

(a) What is the accounting standard? Discuss the advantages of accounting standards.

(b) What is Financial Statement? What are the limitations of financial statements?

(c) Journalise the following transactions in the books of Shridevi Medical Store.

Date	Particular
01-02-2023	Shridevi started business with own Cash Rs.90,000, Stock of goods worth Rs.40,000 Machinery worth Rs.70,000.
04-02-2023	Bought goods worth Rs.50,000 from Madhuri @ 10% trade discount.
10-02-2023	Sold goods worth Rs.80,000 to Kiran @ 10% trade discount and received cash after allowing her 5% cash discount.
15-02-2023	Paid for Rent Rs.4,000.
20-02-2023	Purchased a new Machinery worth Rs.1,00,000 from Bajaj Ltd and amount paid by cheque.

Q.8

(a) Write a short note on Reserves and Surplus.

(b) Discuss the golden rule of accounting.

(c) From the following information, you are required to calculate Reorder Level, Maximum Level, Minimum Level and Average Stock Level.

minimum consumption75 Units

maximum consumption225 units

Reorder quantity1900 units.

Minimum Reorder Period12 Weeks

Maximum Reorder Period18 Weeks

(d) From the following particulars of PQR Ltd prepare Store ledger Account by FIFO method.

Date	Particular	Units	Rate
01-01-2023	Opening Stock	1500	20
07-01-2023	Purchases	750	25
12-01-2023	Purchases	600	22
17-01-2023	Sales	1800	-
28-01-2023	Sales	750	-