

Q.P. Code: 00003966

[Time:2.30 Hrs]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:
1. All question are compulsory.
 2. Figures to the right indicate full marks.
 3. Working note should form part of main answer
 4. Use of simple calculators is allowed

- Q. 1. A. State whether the following statements are True or False (any 8 out of 10) 08
1. For ascertaining Credit Sales, Sundry Creditors Account is prepared.
 2. Single entry is suitable to large organization.
 3. Capital at the beginning of the year is ascertained by preparing Balance Sheet of the closing date.
 4. Bills Receivable dishonored are debited to Sundry Creditors Account.
 5. Under Consignment the ownership of goods, till the point of its sale, remains with the Consignee.
 6. The relationship of Consignor and Consignee is that of Principal and Agent.
 7. Goods sent on Consignment is a Nominal Account.
 8. Dependent Branch does not maintain complete set of books of accounts.
 9. Memorandum Trading Account is prepared to ascertain stock on the date of fire.
 10. Goods saved out of fire are called salvage.

- Q. 1. B. Match the columns: Attempt any 7 out of 10 07

Column A	Column B
1. Memorandum Trading Account	a. Bills Receivable Account.
2. If Gross Profit is 1/4th on Cost, then it is	b. Sundry Creditors Account.
3. Under Stock and Debtors method Goods sent to Branch	c. Trading Account
4. Branch Debtors Account	d. Valued at Cost or Net Realizable Value – whichever is lower.
5. Consignment Account debit balance	e. Consignee
6. The receiver of goods under Consignment	f. Net Loss
7. Stock unsold with Consignor	g. Personal Account.
8. Closing Stock	h. Debited to Branch Stock Account.
9. Credit Purchases made during the year	i. 1/5th on Sales.
10. Bills accepted by customers	j. Stock on date of fire.

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- Q. 2. A. M/s. Retail Trader. Ltd. a trader did not keep his books of accounts properly. 15
He furnished the following data from his diary.

Particulars	01.04.2023 (₹)	31.03.2024 (₹)
Debtors	2,50,500	2,75,800
Stock	35,000	60,000
Plant & Machinery	5,00,000	???
Furniture & Fittings	1,30,000	???
Creditors	2,45,700	2,28,200
Cash & Bank Balance	75,000	???

Summary of Cash transactions for the year 2023-2024:

Particulars:	Amount (₹)
Cash Sales	56,000
Received from Debtors	8,50,000
Paid to Creditors	4,80,000
Wages paid	39,200
Salaries paid	45,800
Printing and Stationery Expenses paid	24,500
Drawings	25,000
Additional Capital introduced	80,000
Commission Received	59,000
Cash Purchases	69,000
Sundry expenses paid	36,600

Other Transactions:

Discount allowed ₹ 3,800

Discount received ₹ 2,550

Bad debts written off ₹ 6,000

Salaries outstanding ₹ 6000

Depreciation is to be provided on furniture @ 10% and on machinery @ 20%
p.a.

Prepare Trading and Profit & Loss Account for the year ended 31.03.2024
and Balance Sheet as on that date.

OR

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- Q. 2. B. Mr. Shehshah does not maintain his books on Double Entry Keeping System. 15
He supplies you the following information:

Particulars	01.04.2023 (₹)	31.03.2024 (₹)
Debtors	67,000	49,000
Stock	76,000	1,00,000
Plant & Machinery	72,000	72,000
Motor Vehicle	1,00,000	???
Creditors	74,000	59,000
Cash & Bank Balance	3,000	24,000

Summary of Cash transactions for the year 2023-2024:

Particulars:	Amount (₹)
Purchase of Motor Vehicle (01.04.2023)	30,000
Received from Debtors	2,00,000
Paid to Creditors	1,00,000
Rent paid	20,000
Salaries paid	23,000
General Expenses paid	17,000
Drawings	36,000
Additional Capital introduced	30,000
Cash Sales	???
Carriage Inward	49,000

Other Transactions:

Discount allowed	₹ 3,000
Discount received	₹ 2,000
Rent outstanding	₹ 2,000

Depreciation is to be provided on plant @10% and on Motor Vehicle @20% p.a.

Prepare Trading and Profit & Loss Account for the year ended 31.03.2024 and Balance Sheet as on that date.

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- Q. 3. A. On 13th March 2023 a major fire occurred and destroyed most of their stock of Bonfire Enterprises. Following information could be gathered from their books: Stock having a cost of ₹ 2,000 being salvaged. The stocks were insured against fire to the extent of ₹ 15,000.

The following particulars could be obtained from the books and records saved:

Particulars	Amount in (₹)
<u>Balance as per Balance Sheet as on 31/12/2022:</u>	
Stock at Cost	10,000
Debtors for goods	2,500
Creditors for goods	1,500
<u>Transactions between 1/1/2023 to 13/03/2023:</u>	
Cash received from debtors	20,000
Cash discount allowed to debtors	500
Goods returned by debtors	200
Cash paid to creditors	37,000
Cash discount from creditors	400
Goods returned to creditors	100
Cash Sales	21,200
Goods given to Famine Relief Fund (at cost)	500
Debtors for goods as on 13/03/2023	5,800
Creditors for goods as on 13/03/2023	3,000

All sales were made at a Gross Profit of 25% on Cost price. Expenses of firefighting operation amounted to ₹ 2,000. You are required to draw a statement of claim for loss of stock.

OR

- Q. 3. B. The premises of M/s. Fire Wood & Co. were engulfed by fire on 1st November 2023 where substantial stock was severely destroyed. The records available with the company yield the following information:

Particulars	Amount (in ₹)
a) For the year ended 31/03/2023	
Opening Stock	1,20,000
Closing Stock	1,95,000
Purchases	12,00,000
Sales	25,00,000
Wages	4,50,000
Direct Expenses	3,00,000

- Compute the amount of claim to be lodged with the Insurance Company.

OR

Balances on	01/04/2022	31/03/2023
Stock of Goods	₹ 60,000	₹ 40,000
Debtors	₹ 50,000	₹ 60,000
Cash	₹ 1,500	₹ 1,000

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Particulars	Amount (in ₹)
Transaction during the Year:	
Goods sent to branch	2,25,000
Goods returned by Customer to branch	8,000
Credit Sales	??
Cash Sales	1,80,000
Goods returned to Head office by branch	6,000
Cash received from Debtors	1,50,000
Expenses paid at Branch:	
Salary	15,000
Commission	10,000
Rent, Rates and taxes	16,500
Discount and commission to customer	2,500
Bad debts	1,000

Prepare the following accounts using Stock and Debtors method in Mumbai office:

- Branch Stock Account
- Branch Debtors Account
- Branch Expenses Account
- Branch Profit & Loss Account

Q. 5. A. Accounting procedure of Stock and Debtors method in maintaining Branch Accounts 08

Q. 5. B. Consignment and its necessity and format of Consignment Account 07

OR

Q. 5. C Attempt (Any 3 out of 5) 15

- Memorandum Trading Account
- Total Creditors Account
- Proforma Invoice and Account sale
- Average Clause
- Stock Reserve
