(6 pages)

DECEMBER 2022 **U/ID 46508/UNC3A**

Time : Three hours Maximum : 75 marks

PART A — (10 × 2 = 20 marks)

Answer any TEN questions.

1. What are the different types of accounts?

2. What are subsidiary books?

3. State the rules of accounting.

4. What is meant by depreciation?

5. What is Department?

6. Give the meaning of inter – departmental transfers.

7. State any two causes of depreciation.

8. What is Profit and Loss account?

9. What is the need for preparing final accounts?

10. Define Single entry system.

11. Write about conversion method.

12. Who is called as debtor?

PART B — (5 × 5 = 25 marks)

Answer any FIVE questions.

13. Journalize the following transactions

Samy commenced business with cash Rs.60,000

Sold goods for cash Rs. 20,000

Purchase goods for cash Rs. 25,000

Sold goods to mani Rs. 5,000

Paid salary Rs. 2,000

14. What are the bases of accounting?

15. From the following information given below prepare trading account

	Rs.
Opening stock	1,00,000
Purchases	1,50,000
Purchase returns	25,000
Direct expenses	10,000
Carriage inwards	5,000
Sales	4,00,000
Closing stock	50,000

16. There are five departments in a concern. The total indirect expenses amounted to Rs.12,000. One sixth of expenses are to be divided equally to all five departments. The remaining expenses are to be shared in the ratio of sales. Sales of various departments were as follows.

Department A	Rs. 50,000
Department B	Rs. 40,000
Department C	Rs. 30,000
Department D	Rs. 20,000
Department E	Rs.60,000

Show the allocation of indirect expenses.

17. Calculate the rate of depreciation under straight line method
Purchase price of machine Rs. 80,000
Expenses to be capitalized Rs. 20,000
Estimated residual value Rs. 40,000
Expected useful life 4 years.

18. From the following details find out profit or loss

The assets and liabilities in the beginning of the year were Rs. 40,000 and Rs. 25,000 respectively. Drawings Rs. 500 per month. Additional capital introduced during the year was Rs. 6,000. Capital at the end of the year Rs. 22,000.

19. What are the basic factors affecting the amount of depreciation?

PART C — ($3 \times 10 = 30$ marks)

Answer any THREE questions.

20. Explain the objectives of accounting.

21. From the following trial balance and additional information of Miss Hema, you are required to prepare a trading, Profit and loss account and balance sheet

	Rs.
Capital	20,000
Sundry debtors	5,400
Drawings	1,800
Machinery	7,000
Sundry creditors	2,800
Wages	10,000
Purchases	19,000
Opening stock	4,000
Bank balance	3,000
Carriage charges	300
Salaries	400
Rent and taxes	900
Sales	29,000

Additional information

(a) Closing stock was Rs. 1,200

(b) Outstanding rent and taxes Rs. 100

(c) Charge depreciation on machinery at 10%

(d) Wages prepaid Rs. 400

22. From the following particulars, prepare the departmental trading and profit and loss account for the year ending 31st March, 2007

	Dept. X	Dept. Y
	Rs.	Rs.
Opening stock	9,000	8,400
Sales	42,000	36,000
Purchases	27,000	21,600
Direct expenses	5,490	8,520
Postage	360	360
Closing stock	10,800	4,800

Indirect expenses for the entire business were Rs.3,900 which are to be divided in the proportion of sales of the two departments.

23. On 1.1.94, X and Co., purchased a machinery for Rs.2,00,000. On 1.7.95 the company purchased one more machinery for Rs.1,00,000. On 1.1.96, a part

of machinery purchased on 1.1.94 (cost Rs.40,000) were sold for Rs.40,000 and cash received. Charge depreciation under straight line method at 20% p.a. and show the machinery account for 3 years. Annual accounts are closed on 31st December.

24. Prakash keeps his books by the single entry method. His position on 31.12.2007 and 31.12.2008 was as follows.

	31.12.2007	31.12.2008
	Rs.	Rs.
Cash in hand	200	300
Cash at bank	3,000	2,000
Stock in trade	20,000	19,000
Debtors	8,500	14,000
Furniture	1,800	1,500
Plant Creditors	15,000	27,000
	22,000	29,000

During the year Prakash introduced Rs.5,000 as further capital and withdrew Rs.750 per month. From the above, prepare a statement showing the profit or loss made by him for the year ended 31.12.2008.

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