(6 pages)

MAY 2022 **U/ID 46508/UNC3A**

Time : Three hours Maximum : 75 marks

PART A — (10 × 2 = 20 marks)

Answer any TEN questions.

1. State the meaning of subsidiary book.

2. What is a petty cash book?

3. What is Journal?

4. Give the meaning of ledger.

5. Write the meaning of straight line method.

6. Give the formula to find out the amount of depreciation under straight line method of depreciation.

7. Write the meaning of stock reserve.

8. What do you mean by dependent branch?

9. Define Single entry.

10. What is Conversion method?

11. What should be the basis of allocation for Rent and Advertising?

12. What is balance sheet?

PART B — (5 × 5 = 25 marks)

Answer any FIVE questions.

13. Pass necessary journal entries from the following transactions :

Ram commenced business with cash Rs. 6,000

Sold goods for cash Rs. 10,000

Purchase of building Rs. 50,000

Sold goods to Mani Rs. 5,000

Paid Rent Rs. 2,000

14. What are the functions of accounting?

15. From the following information given below prepare Trading account :

	Rs.
Opening stock	50,000
Purchases	75,000
Purchase returns	12,500
Direct expenses	5,000
Carriage inwards	2,500
Sates	2,00,000
Closing stock	25,000

16. Apportion the following expenses on the basis of cost of goods sold ratio among the four departments A, B, C and D

Sales : (Rs.) A = 2,00,000.

B = Rs. 1,50,000.

C = Rs. 1,00,000 and

D = Rs. 4,50,000

Gross profit ratio is 20% on sales.

Expenses :

Salaries	Rs. 6,000
Rent and rates	Rs. 1,500
Insurance	Rs. 1,300

17. From the following particulars, prepare Machinery account for 3 years under straight line method

Price of the machine Rs. 36,000

Freight charges Rs. 2,500

Installation charges Rs. 1,500

Life of the machine 5 years.

18. Distinguish between statement of affairs and balance sheet.

19. From the following find out profit or loss for the year :

Opening capital Rs. 60,000

Drawings Rs. 5,000

Capital added during the year Rs. 10,000

Closing capital Rs. 90,000

PART C — (3 × 10 = 30 marks)

Answer any THREE questions.

20. Distinguish between book keeping and accounting.

21. From the following balances extracted from the books of Mr. Gopi. Prepare a trading and profit and loss account and a balance sheet.

	Rs.
Opening stock	1,250
Sales	11,800
Depreciation	667
Commission received	211
Insurance	280
Carriage inwards	300
Furniture	670
Printing charges	481

	Rs.
Carriage outwards	200
Capital	9,228
Creditors	1,780
Bills payable	541
Plant	6,230
Returns outwards	1,380
Cash in hand	895
Salaries	750
Debtors	1,905
Discount allowed	328
Bills receivable	2,730
Wages	1,589
Returns inwards	1,659
Bank overdraft	4,000
Purchases	8,679
Petty cash in hand	47
Bad debts	180

The value of closing stock was Rs. 3,700

22. Distinguish between departments and braches.

23. On 1.1.2002, X purchased a machine for Rs. 50,000. On 1.7.2003, additions were made for Rs. 10.000. On 1.4.2004. Rs. 6,400 worth of additions were made. On 31 12.2004 one-fourth of the first machine purchased on 1.1.2002 was sold for Rs. 7,000. Show machinery account from 2002 to 2004 in the books of X under diminishing balance method at 10% per annum.

24. Balu maintains his books of account on single entry system. His book provides the information given below :

	1.4.2011	31.03.2012
	Rs.	Rs.
Furniture	200	200
Stock	2,800	3,050
Debtors	2,100	3,400
Cash	150	200
Creditors	1,750	1,900
Bills receivables	–	300
Loan taken	–	500
Investments	–	1,000

His drawings during the year were Rs. 500. Depreciate furniture by 10% and make a provision for doubtful debts @10% on debtors. Find out the profit or loss made during the year ending 31st March 2012.

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