

Sr. No. of Question Paper : 8082 D
 Name of the Course : B.Sc. (Gen.) (Qualifying)
 Name / Title of the Paper : Accountancy
 Semester/Annual : Annual

Time: 3 Hours

Max. Marks: 100

(Write your Roll No. on the top immediately on receipt of this question Paper)

Instructions for candidates: Attempt FIVE questions in all, selecting at least TWO Questions from each Part. Workings shall form part of your answer.

Part A

1. Explain any FOUR of the following giving suitable examples:

- Matching Concept
- Realisation Concept
- The Going concern Concept
- Convention of Consistency
- Accrual Concept

(5 × 4 = 20)

2(a) Explain the significance of:

- Quick Ratio
- G.P Ratio
- Asset turnover Ratio

(5 × 3 = 15)

(b) Compute from the following information:

(i) Debtors collection Period; (ii) G.P Ratio

Balance Sheet as On 31st March, 2014

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Share Capital	18,00,000	Bank	4,00,000
Retained Profits	9,60,000	Debtors	32,50,000
14% Debentures	28,00,000	Stock	12,40,000
Trade Creditors	24,80,000	Fixed Assets net of Depreciation	33,30,000
Proposed Dividend	1,80,000		
Total	82,20,000	Total	82,20,000

Note: Sales (Net) for the Year ending on 31st March 2014 amounted to Rs. 125,00,000 and Cost of Sales is Rs. 70,00,000.

(2.5×2=5)

3(a). From the following information, calculate the amount of subscription received in advance as on 31st March 2014:

- Subscriptions received during the year 2012-13 Rs. 52,500.
- There were 200 members paying subscription @ Rs. 250 p.a. each.
- Some members have paid their annual subscription in advance during the year.
- As on 1st April, 2013 no subscription had been received in advance but subscriptions were outstanding to the extent of Rs. 1,000 as on 31st March, 2013.

v) Subscriptions accrued as on 31st March, 2014 aggregated Rs. 1,500.

3(b) Calculate the amount of stationery used during the accounting year ended 31st March, 2014:

Details	Amount (Rs)
Stock of stationery on 1 st April, 2013	3,000
Creditors for stationery on 1 st April, 2013	2,000
Advance paid for stationery brought forward from the year 2011-2012	200
Amount paid for stationery during the accounting year 2012-2013	10,800
Stock of stationery on 31 st March, 2014	500
Creditors for stationery on 31 st March, 2014	1,300
Advance paid for stationery 31 st March, 2014	1,300

(10×2=20)

4. From the following balance sheets of PV Limited prepare the statement of sources and applications of funds:

Liabilities	2012 Amount (Rs)	2013 Amount (Rs)	Assets	2012 Amount (Rs)	2013 Amount (Rs)
Equity Share Capital	6,00,000	8,00,000	Goodwill	2,30,000	1,80,000
10% Redeemable Preference shares	3,00,000	2,00,000	Land & Building	4,00,000	3,40,000
General Reserve	80,000	1,40,000	Plant	1,60,000	4,00,000
Profit & loss Account	60,000	96,000	Debtors	3,20,000	4,00,000
Proposed Dividend	84,000	1,00,000	Stock	1,54,000	2,18,000
Creditors	1,10,000	1,66,000	Bills Receivables	40,000	60,000
Bills Payable	40,000	32,000	Cash in hand	30,000	20,000
Provision for Taxation	80,000	1,00,000	Cash at Bank	20,000	16,000
Total	13,54,000	16,34,000	Total	13,54,000	16,34,000

Additional Information:

- Depreciation of Rs. 20,000 and Rs. 40,000 have been charged on Plant Account and Land & Building account respectively in 2012;
- An interim dividend of Rs. 40,000 has been paid in 2012.;
- Income Tax Rs. 70,000 was paid during the year 2012.

(20)

5. The following is the Balance sheet of M/s P, Q and R as on March 31, 2013:

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Sundry Creditors	71,000	Cash in hand	2,000
Bills Payable	64,000	Cash at Bank	19,000
Fixed Capital:		Sundry Debtors	42,000

P	75,000		
Q	50,000		
R	25,000	1,50,000	
Current Account:		Stock	83,500
P	2,400		
Q	1,700	4,100	
		Furniture and Fittings	60,000
		Plant and machinery	80,000
		R's Current Account	2,600
Total	2,89,100	Total	2,89,100

P, Q and R share profits in the ratio of 3:2:1 respectively after charging 9% interest on capitals. During the year 2013-14, the drawings were: P at Rs. 4,000 p.m., Q at Rs. 3,000 p.m. and R at Rs. 2,500 p.m.

On 31st March, 2014, the various assets were: Cash in hand Rs. 1,500; Sundry debtors, Rs. 43,000; Stock Rs. 1,13,750 at selling price which was fixed at cost plus 25%. Furniture and fittings Rs. 54,000; and Plant and Machinery Rs. 1,40,000. Liabilities were: sundry creditors Rs. 67,000 Bills Payable Rs. 620 and Bank overdraft Rs. 30,000 as per pass book which showed that a cheque of Rs. 5,000 deposited had been returned dishonoured. Ascertain the profit or loss made by the firm in 2013-14 and prepare the Balance sheet as on 31st March, 2014. (20)

Part B

6. MK Limited purchased a second-hand machine on January 1, 2010 for Rs. 8,00,000. Overhauling and erection charges amounted to Rs. 2,00,000. Another machine was purchased for Rs. 4,00,000 on July 1, 2010. On July 2012, the machine installed on January 1, 2010 was sold for Rs. 5,00,000. On the same date another machine was bought for Rs. 1,50,000 and was installed on September, 2012.

Under the existing practice the company provides depreciation @ 20% p.a. on original cost. However, from the year 2013, it decided to adopt WDV method to charge depreciation @ 25% p.a. this change was to be made with retrospective effect.

Prepare Machine Account in the books of MK Limited from the years 2010 to 2013.

(Note: Accounting year is calendar year).

(20)

7. Standard Cotton Mills Limited issued 50,000 shares of Rs. 25 each at 10% discount, payable as under:

On Application	Rs. 5 per share
On Allotment	Rs. 7.50 per share
On First Call	Rs. 4.00 per share
On Final Call	The balance amount

Applications were received for 75,000 shares. The directors made *pro-rata* allotment to applicants for 60,000 shares. Mr. G did not pay allotment money on 100 shares while Mr. K did not pay final call on 60 shares. Make journal entries to record the foregoing transactions. (20)

8. Sumeet sends goods on consignment to Rohit. The terms are that Rohit will receive 12.5% commission on the invoice price (which is cost plus 25%) and 20% of any price realized above the invoice price. Rohit will meet his expenses himself, goods to be sent freight paid.

Sumeet send goods costing Rs. 4,00,000 and spent Rs. 37,500 on freight, forwarding, etc. Rohit accepted a bill of Exchange for Rs. 4,00,000 immediately on receiving the consignment. His expenses were Rs. 5,000 as rent and Rs. 2,500 as insurance. Rohit sold $\frac{3}{4}$ of the goods for Rs. 4,87,500. Part of the sales were on credit and one customer failed to pay Rs. 10,000.

Give consignment Account and Rohit's Account in the books of Sumeet and important ledger accounts in the books of Rohit. (20)

9. Mohit ltd. has a branch at Shimla to which goods are sent at 25% above cost. The branch makes both cash and credit sales. Branch expenses are met from branch cash and the balance money remitted to the Head Office at Delhi. All the necessary accounts are maintained by Head office under Stock and Debtors system. From the details given below, you are required to ascertain the profit or loss made by the Shimla -branch for the year ending on 31st March 2014:

Details	Amount (Rs)
Opening Branch Stock at Invoice Price	5,00,000
Cost price of goods sent to Branch	10,00,000
Goods received by the branch till 31 st March 2014 at invoice price	12,00,000
Credit sales for the year	12,80,000
Branch Debtors on 1 st April 2013	2,50,000
Branch Debtors on 31 st March 2014	3,00,000
Bad debts and discounts written off	10,000
Cash remitted to head Office	12,00,000
Branch Cash Balance as on 1 st April 2013	60,000
Branch Cash Balance as on 31 st March 2014	40,000
Cash remitted by Head Office to Branch	60,000
Closing Branch Stock at Invoice Price	4,00,000
Branch Expenses Paid by Branch	2,40,000

(20)

10. Distinguish between the following:

- Issue of Shares at Discount and Reissue of Shares at Premium.
- Sale on Hire Purchase System and Instalment System
- Balance Sheet and Statement of Affairs
- Consignment vs. Sales

(5×4=20)