

Q.P. Code : 25265

(3 Hours)

[Total Marks : 80

- N.B. : (1) Questions No.1 is compulsory.
 (2) Attempt any four questions out of the remaining.
 (3) Answer to the questions should be grouped and written together.
 (4) Figures to the right indicate full marks.

1. (a) Explain Cash Flow statement. Enumerate any five examples of sources of Cash Flow from Operations. 10
- (b) From the Following Trial Balance of Shri S.S. Joglekar, Prepare Trading & Profit & Loss A/c for the year 31st March 2015 and Balance Sheet as on that date. 10

Trial Balance as on 31/03/2015

Particulars	Debit Amt. ₹	Credit Amt. ₹
Sales		7,00,000
Sales Returns	30,000	
Plant & Machinery	1,20,000	
Rents, Rates & Taxes	20,000	
Freight	4,000	
Debtors	1,70,000	
Opening Stock	4,20,000	
Purchases	2,30,000	
Purchase Return		10,000
Discount Paid	5,000	
Interest on Bank Loan	5,000	
Salaries (for 14 months)	70,000	
Bank Loan		1,50,000
Capital		1,81,500
Creditors		40,000
Bills payable		26,000
Legal Charges (for 5 months)	500	
General Expenses	8,000	
Cash Bank	25,000	
Total	11,07,500	11,07,500

TURN OVER

Adjustments :

- (i) Interest on Bank Loan outstanding ₹ 7,000.
(ii) Closing Stock on 31st March 2015 ₹ 1,40,000.

2. (a) Mr. Khalid commenced business as on 1st Jan, 2015. Following transactions for the month are to be journalized. 10

2015		₹
January 01	Invested cash	3,00,000
January 02	Purchased Machinery	1,10,000
January 02	Wages Paid for installation of Machinery	10,000
January 05	Bought Computer from Ramanpreet	28,600
January 06	Bought Goods from Mongia & Co.	17,000
January 08	Paid Ramapreet by Cheque in Full Settlement	28,000
January 10	Sold Goods to Anil Shinde	12,000
January 12	Anil Shinde cleared his account by paying Cash	11,500
January 22	Sold old Newspaper	150
January 27	Salaries paid	3,000
January 31	Cash withdraw for Personal use	2,000

- (b) What is Double Entry System of Book Keeping? Explain its Advantages. 5
3. (a) Enlist different Accounting concepts. Elaborate each. 10
(b) Explain Features and Functions of Journal. 5

TURN OVER

(a) From the following prepare Triple Columnar.

March 2015	
1	Cash in hand ₹ 20,000 and Bank OD ₹ 30,000
3	Issued a cheque in favor of Mahendra Kawde for ₹ 2,500 in full settlement of ₹ 2,600
5	Received a cheque from Sidhiraj for ₹ 3,250 in full settlement of ₹ 3,300 & deposited the Cheque
7	Received an advice from the bank stating that, Bank has paid ₹ 250 on account of Life Insurance Premium.
9	Paid Petty Cashier ₹ 100
11	Made Cash Sales ₹ 3,500 & Cash Purchase ₹ 900
15	Purchase Machinery ₹ 7,000 the amount paid by Cheque
19	Direct deposit by Shemin Maknoja ₹ 20,800
26	Received crossed Cheque from Rohan Vedak ₹ 2,000 in full settlement ₹ 2,200
29	Paid Office Rent by Cheque ₹ 350

(b) Explain the following terms :

- (i) Goodwill
- (ii) Closing Stock
- (iii) Bad Debts
- (iv) Fixed Assets
- (v) Combined Entry

TURN OVER

5. (a) (i) Calculate current ratio and quick ratio for PQR as well as XYZ :

Particulars	PQR ₹	XYZ ₹	Particulars	PQR ₹	XYZ ₹
Equity Share Capital	30,00,000	30,00,000	Fixed Assests	25,00,000	30,00,000
Retained Earning	10,00,000	20,00,000	Marketable Securities	10,00,000	20,00,000
Long Term Loans	5,00,000	20,00,000	Inventories	20,00,000	20,00,000
Creditors	20,00,000	20,00,000	Cash	10,00,000	20,00,000
Total	65,00,000	90,00,000	Total	65,00,000	90,00,000

(ii) Calculate Gross Profit Ratio Net Profit Ratio :

Particulars	₹
Sales	64,00,000
Opening Stock	30,00,000
Purchases	20,00,000
Wages	50,000
Carriages Inward	50,000
Closing Stock	19,00,000
Rent	10,000
General Expenses	40,000
Salary	5,40,000
Sundry Expenses	40,000
Printing & Stationary	10,000

(b) What is Contra Entry and explain with any one example using Triple Columnar format.

TURN OVER

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- (a) From the following data prepare a cash budget for three months from April to June : 10

Month	Sales (₹)	Credit Purchases (₹)	Wages (₹)	Expenses (₹)
February	10,00,000	4,00,000	80,000	60,000
March	8,00,000	5,00,000	80,000	70,000
April	9,60,000	5,20,000	90,000	70,000
May	10,00,000	6,00,000	1,00,000	80,000
June	12,00,000	5,00,000	1,20,000	90,000

Additional Information :

- (i) Cash in bank on 1st April (estimated) ₹ 9,50,000.
(ii) Period of credit allowed by suppliers is two month.
(iii) 25% of sale is for cash and the period of credit allowed to customer is one month.
(iv) Delay in payment of wages and expenses is one month.

- (b) What is Ratio Analysis? Explain any two ratio with respect to "Solvency". 5

- (a) What is Cash Budget. Give basic Proforma of Cash Budget. 10

- (b) With example, explain Golden rule of Accounting. 5