

Please check whether you have got the right question paper.

- N.B:
1. Question 1 is compulsory.
  2. Attempt any three from Q.2 To Q.6

- Q.1 A) From the following Trial Balance of Mr. Goswami, prepare Trading & Profit & Loss A/c for the year ended 31<sup>st</sup> March, 2017 & a Balance sheet as on that date. 10

	Debit (Rs)	Credit (Rs)
Capital		38,000
Drawings	2,500	
Purchases	16,000	
Sales Returns	400	
Purchase Returns		900
Furniture	6,000	
Sales Cash		12,000
Sales Credit		16,000
Buildings	12,000	
Opening Stock	6,000	
Sundry Expenses	500	
Bills Payable		900
Commission Received		250
Rent, Rates & Taxes	250	
Wages & Salaries	7,250	
Carriage Inwards	250	
Carriage Outwards	350	
Bills Receivable	800	
Travelling Expenses	600	
Bad Debts	400	
Sundry Debtors	10,800	
Insurance Premium	300	
Postage	150	
Motor car Expenses	1,200	
Cash-in-Hand	880	
Sundry Creditors		4,380
Motor Car	5,800	
	72,430	72,430

Adjustment –

Closing Stock amounted at cost price Rs 12,250 & Market value of stock of Rs 14,000.

- B) Explain Financial Management? Briefly explain the role of financial manager.

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Q.2 A) Journalise following transactions in the books of Rin Supreme. 2017

- Feb 1 Business Started with Cash Rs 50,000  
 Feb 2 Cash Deposited into Bank Rs 24,000  
 Feb 3 Goods purchased from Rima & paid by cheque Rs 7,000  
 Feb 4 Sold goods & cheque received from Rani Rs 12,000  
 Feb 5 Purchased goods from Rasna Rs 8,000  
 Feb 6 Purchased goods from Ms.Rita Rs 3,000  
 Feb 7 Paid salary to Rina, a typist Rs 4,000  
 Feb 8 Purchased furniture of Rs.10,000 & payment paid by cheque  
 Feb 9 Withdraw cash for personal use Rs.8,000  
 Feb 10 paid Rent Rs.3,000 by cheque.

B) What are the advantages of Double Entry system of Book-keeping?

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Q.3 A) The following forecasts have been made for ABC Ltd for the period January to April 2016:

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Particulars	January	February	March	April
Sales	75,000	1,05,000	1,80,000	1,05,000
Raw materials	70,000	1,00,000	80,000	85,000
Manufacturing Exps	10,000	20,000	29,000	16,000
Loan Installment	1,000	11,000	21,000	21,000

- All sales are made on credit basis. 2/3<sup>rd</sup> of Debtors are collected in the same month. There is no expected Bad Debt. The Debtors on January 1, 2011 were Rs 30,000.
  - The minimum cash balance, the firm must have is estimated to be Rs 5,000, however, the cash balance on January 1 was Rs 6,500.
  - Borrowing, if any can be made.
- Prepare a cash budget for the period of four months (from Jan to Apr)

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B) Explain the meaning & uses of Cash Flow Statement.

Q.4 A) Explain the following terms-  
 i. Debtor ii. Creditors iii. Goods iv. Bad Debt v. Drawing

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B) Profit & Loss Statement for the year ending 31<sup>st</sup> December 2016.

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Particulars	Rs	Rs
Sales: Cash	64,000	
Credit	6,84,000	
Total Sales	7,48,000	
Less: Cost of Sales	5,96,000	
Gross Profit		1,52,000
Less : Expenses:		
Ware housing Transport	48,000	
Administration	38,000	
Selling	28,000	
Debenture Interest	4,000	
Net Profit		1,18,000
		34,000



Q.P. Code :10689

Balance Sheet:

Liabilities	Rs	Assets	Rs
Share Capital	1,50,000	Fixed Assets (Net)	80,000
Reserves	60,000	Current Assets	
Profit & Loss Account	34,000	Stock	1,88,000
Debentures	50,000	Debtors	1,64,000
Current Liabilities	1,52,000	Cash	14,000
	4,46,000		4,46,000

From the above Information Calculate:

- 1.Current Ratio
- 2.Liquid Ratio
- 3.Net Profit Ratio
- 4.Debtors Turnover Ratio

- Q.5 A.Explain Budgetary control in Detail. 10  
B.Explain role of Financial Accounting & Cost Accounting. 10
- Q.6 A.Explain with diagram working capital Cycle. 10  
B.Explain with two examples two ratios used for measuring liquidity of a company. 10
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