

**General Instructions:**

1. This question paper contains 34 questions. All questions are compulsory.
2. This question paper is divided into two parts, Part A and B
3. Question 1 to 16 and 27 to 30 carries 1 mark each.
4. Questions 17 to 20, 31 and 32 carries 3 marks each.
5. Questions from 21, 22 and 33 carries 4 marks each
6. Questions from 23 to 26 and 34 carries 6 marks each
7. There is no overall choice. However, an internal choice has been provided in 7 questions of one mark, 2 questions of three marks, 1 question of four marks and 2 questions of six marks.

**PART A****(Financial Accounting I)**

1.	Ind-AS are a set of accounting standards notified by: (a) ICAI (b) Central Government (c) Finance Ministry (d) Company Act 2013	1
2.	What will the rate of depreciation under Straight line method? (i) Purchases price of machinery ₹ 4,80,000 (ii) Installation charges ₹ 20,000 (iii) Repair charges in 3rd year ₹ 9,000 (iv) Estimated salvage value after 10 years ₹ 30,000. <b>Choose the correct options.</b> (a) 11.11% (b) 9% (c) 9.4% (d) 9.11%  <b>OR</b> When the depreciation is credited to provision for depreciation account then assets account always appears in the ledger at its: (a) Original Cost (b) Written down value. (c) Market value (d) Realizable value	1
3.	Given below are two statements, one labelled as Assertion (A) and the other labelled as Reason (R) <b>ASSERTION (A):</b> Depreciation is fall in the market value of Fixed Assets. <b>REASON (R):</b> Depreciation can be charged on all fixed assets whether they are tangible or intangible. (a) Both Assertion and Reason are correct, and Reason is the correct explanation of the Assertion. (b) Both Assertion and Reason are correct, but Reason is not the correct explanation of the Assertion. (c) Only Assertion is correct, but reason is false. (d) Both Assertion and Reason are false.	
4.	Find out the Balance as per Passbook on 30-06-2023. (1) Overdraft as per Cash book ₹ 9,700	1

	<p>(2) A bill of ₹ 10,000 was retired by bank under a rebate of ₹ 300 but the full amount was credited in bank column cash book.</p> <p>(a) Overdraft as per passbook ₹ 9,400  (b) Cr. Balance as per passbook ₹ 19,700  (c) Overdraft as per passbook ₹ 10,000  (d) Cr. Balance as per passbook ₹ 300</p> <p style="text-align: center;"><b>OR</b></p> <p>Find out the bank balance as per Cash Book on 30-06-2023.</p> <p>(1) Overdraft as per passbook ₹ 5,200  (2) Out of total cheques of ₹ 13,000 deposited into bank, ₹ 7,500 were credited up to 30-06-2023. Cheques of ₹ 2,300 were credited by bank on 05-07-2023 and the rest have not been collected by bank at all.</p> <p>(a) Overdraft As per Cash book ₹ 300  (b) Dr. Balance as per Cash book ₹300  (c) Overdraft as per Cash book ₹ 3,900  (d) Dr. Balance as per Cash book ₹ 3,900</p>	
5.	<p>By adopting different methods, the position of net profit or assets can be increased or decreased depending on the requirement of the management. It indicates the one of limitation of accounting, which is:</p> <p>(a) Based on historical cost  (b) Unsuitable for forecasting  (c) Affected by window dressing.  (d) Different Accounting Methods</p>	1
6.	<p>Ajay a consultant, during the year 2020-21 earned ₹ 4,00,000 (out of which 80% received). He incurred expenses of ₹ 2,50,000(Out of which 60% paid). He also received consultancy fee of ₹ 90,000 relating to 2019-20 and paid expense of ₹ 40,000 of last year. You are required to determine his income for the year ended 2020-21 if:</p> <p>(I) He follows cash basis of accounting  (II) He follows accrual basis of accounting</p> <p>(a) ₹ 2,20,000 and ₹ 1,60,000  (b) ₹ 2,20,000 and ₹ 1,50,000  (c) ₹ 1,70,000 and ₹ 1,90,000  (d) ₹ 1,90,000 and ₹ 1,50,000</p> <p style="text-align: center;"><b>OR</b></p> <p>Mr. Ramit commenced business on 01/01/2021 with capital of ₹ 8,00,000 and he will get interest on capital @ 10% p.a. Calculate interest on capital on 31/03/2021 and according to which accounting concept interest is allowed to Mr. Ramit as he is himself the owner of his business.</p> <p>(a) ₹ 80,000 and Accrual Concept  (b) ₹ 80,000 and Matching Concept  (c) ₹ 20,000 and Business Entity Concept  (d) ₹ 20,000 and Accrual Concept</p>	1
7.	<p>Ram sold goods to Mohan for ₹ 20,000. This entry was not entered in Mohan's account, but it had been duly recorded in sales account. Which type of error is discussed here?</p> <p>(a) Errors of commission  (b) Errors of principle  (c) Compensating errors  (d) Errors of omission</p>	1
8.	<p>₹ 7,600 paid to Amit after deducting discount of 5%. In the journal entry.</p> <p>(a) Discount Allowed will be debited by ₹ 380.  (b) Discount Allowed will be debited by ₹ 400.</p>	1

	<p>(c) Discount Received will be credited by ₹ 380.  (d) Discount Received will be credited by ₹ 400.</p> <p style="text-align: center;"><b>OR</b></p> <p>Goods costing ₹ 30,000 supplied to Ramesh at a profit of 25% on sales price less trade discount @ 10% will be credited to sales account with:</p> <p>(a) ₹ 30,000  (b) ₹ 36,000  (c) ₹ 33,750  (d) ₹ 44,000</p>	
	<p><b>Read the following hypothetical situation, answer Q9. and Q 10.</b></p> <p>Suresh a trader, offers credit sales facilities to his customers. He is concerned that his debtors might make default in paying the amount. His friend Kunal suggested him that he should keep aside some amount of profit to meet the loss occurred due to bad debts, as the loss is certain, but the exact amount of loss is not known.</p> <p>Suresh started implementing Kunal's suggestion and set aside some amount from profit to meet the certain loss of bad debts. In 2021-22, he suffered a loss in his business, and he decided not to set aside any amount for bad debts. Kunal informed that Suresh has to keep the amount aside irrespective of profit or loss.</p>	
9.	<p>Choose the correct statement based on the above case?</p> <p>(a) Kunal suggested to create reserve which is charge in the Profit &amp; Loss A/c.  (b) Kunal suggested to create a reserve which is an appropriation of the profit.  (c) Kunal suggested to create provision which is charge in the Profit &amp; Loss A/c.  (d) Kunal suggested to create provision which is an appropriation of the profit.</p>	1
10.	<p>In 2021-22, he suffered a loss in his business, and he decided not to set aside any amount for bad debts. Kunal informed that Suresh has to keep the amount aside irrespective of profit or loss. Based on above lines choose the correct statement</p> <p>(a) Suresh is right as amount cannot be kept aside when there is loss.  (b) Kunal is right as it is mandatory as per Co. Act to set aside the amount.  (c) Suresh and Kunal both are correct.  (d) Suresh and Kunal both are wrong.</p>	1
11.	<p>_____ assets include debit balance of P&amp;L A/c and the expenditure not yet written off.</p> <p>(a) Current  (b) Tangible  (c) Intangible  (d) Fictitious</p>	1
12.	<p>The following are the advantages of Petty Cash Book:</p> <ol style="list-style-type: none"> <li>1. Control over misappropriation</li> <li>2. Control over loss of business</li> <li>3. Control exercise by main cashier</li> </ol> <p>Choose the correct answer:</p> <p>(a) 1 and 2  (b) 1 and 3  (c) 1, 2 and 3  (d) 2 and 3</p>	1
13.	<p>An article was purchased for ₹ 1239 including GST of 18% The price of the article before GST was added will be: -</p> <p>(a) ₹ 1239  (b) ₹ 1050  (c) ₹ 1462  (d) ₹ 1000</p>	1

14	The opening entry is passed in the books:	1																																			
	<table border="1"> <thead> <tr> <th>Date</th> <th>Particular</th> <th>L.F</th> <th>Dr. (₹)</th> <th>Cr. (₹)</th> </tr> </thead> <tbody> <tr> <td rowspan="6">April 1</td> <td>Cash A/c Dr.</td> <td></td> <td>8,000</td> <td></td> </tr> <tr> <td>Stock A/c Dr.</td> <td></td> <td>22,000</td> <td></td> </tr> <tr> <td>Machinery A/c Dr.</td> <td></td> <td>6,000</td> <td></td> </tr> <tr> <td>Furniture A/c Dr.</td> <td></td> <td>4,000</td> <td></td> </tr> <tr> <td>To Capital A/c</td> <td></td> <td></td> <td>34,000</td> </tr> <tr> <td>To Bills payable A/c</td> <td></td> <td></td> <td>6,000</td> </tr> <tr> <td></td> <td>(Being opening entry passed)</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Date	Particular	L.F	Dr. (₹)	Cr. (₹)	April 1	Cash A/c Dr.		8,000		Stock A/c Dr.		22,000		Machinery A/c Dr.		6,000		Furniture A/c Dr.		4,000		To Capital A/c			34,000	To Bills payable A/c			6,000		(Being opening entry passed)				
Date	Particular	L.F	Dr. (₹)	Cr. (₹)																																	
April 1	Cash A/c Dr.		8,000																																		
	Stock A/c Dr.		22,000																																		
	Machinery A/c Dr.		6,000																																		
	Furniture A/c Dr.		4,000																																		
	To Capital A/c			34,000																																	
	To Bills payable A/c			6,000																																	
	(Being opening entry passed)																																				
	Choose the correct option while posting in the ledger of Furniture A/c (a) Debit side, To Bill Payable A/c 6,000 (b) Debit side To Balance b/d 4,000 (c) Debit side To Capital A/c 34,000 (d) Credit side By Balance b/d 4,000																																				
15	A firm get an order for supply of goods on 10th July, Supplies the goods on 12th July and received the cash on 17th July. So, revenue will be deemed to be earned on which date and which accounting concept is applied here? (a) 10th July, Revenue Recognition concept (b) 17th July, Revenue Recognition concept (c) 12th July, Revenue Recognition concept (d) 17th July, Matching Concept <p style="text-align: center;"><b>OR</b></p> Rajesh is working as an accountant in M/s Sharma Paints & purchases furniture from M/s Best Furniture House of ₹ 46,250 on 22-07-2021. He will prepare: (a) Debit voucher (b) Credit voucher (c) Cash Memo (d) Transfer Voucher	1																																			
16	Read the given statements and select the correct option. <b>Statement 1:</b> GST is introduced for reduction in multiplicity of taxes, cascading and double taxation. <b>Statement 2:</b> CGST constitutes the revenues of Central Government. (a) Both statement 1 and statement 2 are true and statement 2 is the correct explanation of statement 1. (b) Both statement 1 and statement 2 are true but statement 2 is not the correct explanation of statement 1. (c) Statement 1 is true but statement 2 is false. (d) Statement 1 is false but statement 2 is true.	1																																			
17	Accounting Standards have been evolved to improve the reliability and credibility of Financial Statements. Accounting Standards provide the solution in case of conflicts among various groups. In light of this statement, enumerate the objectives of Accounting Standards. <p style="text-align: center;"><b>OR</b></p> The accountant records only events that effect the financial position of the entity and at the same time, can be reasonably determined in monetary terms. (a) Identify the accounting principle. (b) Give meaning of above identified principle. (c) Give one limitation of the above identified principle.	3																																			
18	Prepare Bank Reconciliation Statement as on 31 <sup>st</sup> January 2017, if Cash Book of Mr. Sanjay showed a credit balance of ₹20,100. i. The bank had paid fire insurance premium of ₹550 which does not appear in the Cash Book.	3																																			

	<p>ii. Cheques for ₹25,000 issued during January, but cheques for only ₹18,500 were presented for payment.</p> <p>iii. Interest collected by bank ₹740.</p> <p>iv. Cheques of ₹8,700 were deposited into bank, but cheques for ₹7,000 were cleared till 31st January 2017.</p> <p>v. A customer deposited ₹620 directly into bank without informing Mr. Sanjay.</p>	
19	<p>Identify the types of error in following statements, also state that which error affect the trial balance.</p> <p>(a) ₹ 5,000 paid for furniture has been charged to purchases account.</p> <p>(b) Sale of goods on credit to Amit for ₹ 620 recorded in the Sales Book, but not posted in ledger account of Amit.</p> <p>(c) Sales Book undercast by ₹ 5,000</p> <p style="text-align: center;"><b>OR</b></p> <p>From the following information, draw up a Trial Balance in the books of Shri Haridas Chaki as on 31st March, 2019: Capital ₹ 1,40,000; Purchases ₹ 36,000; Discount Allowed ₹1,200; Carriage Inwards ₹ 8,700; Carriage Outwards ₹ 2,300; Sales ₹ 60,000; Returns Inward ₹ 300; Returns Outward ₹ 700; Rent and Taxes ₹ 1,200; Plant and Machinery ₹ 80,700; Stock on 1st April, 2018 ₹ 15,500; Sundry Debtors ₹ 20,200; Sundry Creditors ₹ 12,000; Investments ₹ 3,600; Commission Received ₹ 1,800; Cash in Hand ₹ 100; Cash at Bank ₹ 10,100; Motorcycle ₹ 34,600 and Stock on 31st March, 2019 (adjusted) ₹ 20,500.</p>	3
20	<p>Show the accounting equation on the basis of the following transactions:</p> <p>(a) Started business with cash ₹60,000 and Goods ₹3,00,000 and creditors ₹80,000</p> <p>(b) Goods costing ₹ 48,000 sold at a profit of <math>33\frac{1}{3}\%</math>. Three-fourth payment received in Cash.</p> <p>(c) Paid rent ₹4,000 including ₹1500 as advance</p>	3
21	<p>Record the following transactions in the Sales Book of Guru Ji Furniture's, Delhi GST on its products are charges @18%.</p> <p><b>2020</b></p> <p>April 01 Sold goods to Goyal Furniture's, Delhi 5 Sofa Sets @ ₹50,000 each. 4 dining Tables @ ₹40,000 each Less: Trade Discount @ 20%</p> <p>April 05 Sold Goods to Maya Decors, Rohtak 5 Center Tables @ ₹10,000 each 10 Counter Tables @ ₹8,000 each</p> <p>April 11 Sold goods to Fancy Furniture's Delhi 4 Sofa Sets @ ₹50,000 each. 20 Computer Tables @ ₹8,000 each. 4 Center Tables @ ₹10,000 each.</p>	4
22	<p>Rectify the following errors: -</p> <p>a) A bills receivable for ₹ 8,000 accepted by Mahender recorded in acceptance given to Mahinder for ₹ 10,000.</p> <p>b) The purchase of an office table from Furniture Mart costing ₹ 6,000 has been passed through the Purchase daybook as ₹ 8,000.</p> <p>c) Credit sale to Raju ₹ 6,000 were recorded in the Purchase Book. However, his account was correctly debited.</p> <p>d) ₹ 80 discount received from a creditor omitted to be posted in creditor's account.</p> <p>e) A cheque of ₹ 2,000 received from Ram was dishonoured. The amount was posted to the credit of Sohan.</p> <p>f) Income tax paid by Raju ₹ 1,00,000 posted to the debit of his account as ₹ 10,000</p>	6

23	<p>On 1st April 2018, a firm purchased machinery for ₹ 2,00,000. On 1st October in the same accounting year, additional machinery costing ₹ 1,00,000 was purchased. On 1st October 2019 the machinery purchased on 1st April 2018 has become obsolete, was sold off for ₹ 90,000. On 1st October 2020 new machinery was purchased for ₹2,50,000 while the machinery purchased on 1st October 2018 was sold for ₹ 85,000 on the same day. The firm provides depreciation on its machinery @ 10% per annum on the original cost on 31<sup>st</sup> March every year. Show Machinery Account for the period of three accounting years ending 31<sup>st</sup> March 2021.</p> <p style="text-align: center;"><b>OR</b></p> <p>Following balance appear in the books of M/s Amrit as on 1st April 2017:</p> <table border="1" data-bbox="284 430 1453 514"> <tr> <td>1st April 2017 Machinery Account</td> <td>₹60,000</td> </tr> <tr> <td>Provision for depreciation A/c</td> <td>₹36,000</td> </tr> </table> <p>On 1st April 2017, they decided to dispose of machinery for ₹8,400, which was purchased on 1st April 2013 for ₹16,000.</p> <p>You are required to prepare Machinery Account, Provision for Depreciation Account and Machinery Disposal A/c for the year ended 31st March 2018. Depreciation was charged at 10% on original cost method.</p>	1st April 2017 Machinery Account	₹60,000	Provision for depreciation A/c	₹36,000	6																		
1st April 2017 Machinery Account	₹60,000																							
Provision for depreciation A/c	₹36,000																							
24	<p>Pass Journal Entries for the following.</p> <table border="1" data-bbox="284 724 1453 1092"> <thead> <tr> <th>March 2020</th> <th>Transactions</th> </tr> </thead> <tbody> <tr> <td>2</td> <td>Purchased an Iron Safe for business for ₹ 1,00,000 and payment made by cheque.</td> </tr> <tr> <td>3</td> <td>Gave as Charity- Cash ₹ 2000 and Goods - ₹ 4,000</td> </tr> <tr> <td>7</td> <td>Sold household furniture for ₹ 1,00,000 and paid the money into the business.</td> </tr> <tr> <td>9</td> <td>Paid to the landlord by cheque ₹ 1,20,000 for rent. One-third of the building is occupied by the proprietor for residential use.</td> </tr> <tr> <td>11</td> <td>Drew cash from bank for office use ₹ 10,000</td> </tr> <tr> <td>18</td> <td>Paid cash to Shyam ₹ 21,500</td> </tr> <tr> <td></td> <td>Discount received ₹ 1,000</td> </tr> </tbody> </table>	March 2020	Transactions	2	Purchased an Iron Safe for business for ₹ 1,00,000 and payment made by cheque.	3	Gave as Charity- Cash ₹ 2000 and Goods - ₹ 4,000	7	Sold household furniture for ₹ 1,00,000 and paid the money into the business.	9	Paid to the landlord by cheque ₹ 1,20,000 for rent. One-third of the building is occupied by the proprietor for residential use.	11	Drew cash from bank for office use ₹ 10,000	18	Paid cash to Shyam ₹ 21,500		Discount received ₹ 1,000	6						
March 2020	Transactions																							
2	Purchased an Iron Safe for business for ₹ 1,00,000 and payment made by cheque.																							
3	Gave as Charity- Cash ₹ 2000 and Goods - ₹ 4,000																							
7	Sold household furniture for ₹ 1,00,000 and paid the money into the business.																							
9	Paid to the landlord by cheque ₹ 1,20,000 for rent. One-third of the building is occupied by the proprietor for residential use.																							
11	Drew cash from bank for office use ₹ 10,000																							
18	Paid cash to Shyam ₹ 21,500																							
	Discount received ₹ 1,000																							
25	<p>Prepare a cash book of Ratnakar with cash and bank column from the following transactions:</p> <table border="1" data-bbox="284 1165 1453 1890"> <thead> <tr> <th>Date</th> <th>Transactions</th> </tr> </thead> <tbody> <tr> <td>May 2019, 1</td> <td>Opening Balance – Cash (Dr.) ₹8,000; Bank (Cr.) ₹9,000</td> </tr> <tr> <td>May 2019, 3</td> <td>A customer, Gopal deposited direct in our bank account ₹3,900. He was allowed discount of ₹100.</td> </tr> <tr> <td>May 2019, 7</td> <td>Bought goods of list price ₹6,000 less 10% trade discount and 2% cash discount from Ram. He was given payment by cheque.</td> </tr> <tr> <td>May 2019, 9</td> <td>Bank was asked to issue draft in favor of Mohit &amp; Co. for ₹4,000. It charged commission ₹100.</td> </tr> <tr> <td>May 2019, 15</td> <td>Sold goods for ₹7,000 to a customer who gave ₹3,000 in cash and a cheque for the balance which was banked.</td> </tr> <tr> <td>May 2019, 19</td> <td>Received a cheque from Hari for ₹2900. He was allowed discount ₹100</td> </tr> <tr> <td>May 2019, 29</td> <td>Bought goods from Ramesh of list price ₹5,000 less 10% trade discount. Paid ₹160 as carriage.</td> </tr> <tr> <td>May 2019, 30</td> <td>Returned goods to Ramesh of List price ₹500.</td> </tr> <tr> <td>May 2019, 31</td> <td>Settled the account of Ramesh under 2% cash discount by endorsing cheque of Hari and by paying the balance via cash.</td> </tr> <tr> <td>May 2019, 31</td> <td>It is decided to keep the balance of cash in hand ₹1,500 by making necessary adjustment with bank A/c.</td> </tr> </tbody> </table>	Date	Transactions	May 2019, 1	Opening Balance – Cash (Dr.) ₹8,000; Bank (Cr.) ₹9,000	May 2019, 3	A customer, Gopal deposited direct in our bank account ₹3,900. He was allowed discount of ₹100.	May 2019, 7	Bought goods of list price ₹6,000 less 10% trade discount and 2% cash discount from Ram. He was given payment by cheque.	May 2019, 9	Bank was asked to issue draft in favor of Mohit & Co. for ₹4,000. It charged commission ₹100.	May 2019, 15	Sold goods for ₹7,000 to a customer who gave ₹3,000 in cash and a cheque for the balance which was banked.	May 2019, 19	Received a cheque from Hari for ₹2900. He was allowed discount ₹100	May 2019, 29	Bought goods from Ramesh of list price ₹5,000 less 10% trade discount. Paid ₹160 as carriage.	May 2019, 30	Returned goods to Ramesh of List price ₹500.	May 2019, 31	Settled the account of Ramesh under 2% cash discount by endorsing cheque of Hari and by paying the balance via cash.	May 2019, 31	It is decided to keep the balance of cash in hand ₹1,500 by making necessary adjustment with bank A/c.	6
Date	Transactions																							
May 2019, 1	Opening Balance – Cash (Dr.) ₹8,000; Bank (Cr.) ₹9,000																							
May 2019, 3	A customer, Gopal deposited direct in our bank account ₹3,900. He was allowed discount of ₹100.																							
May 2019, 7	Bought goods of list price ₹6,000 less 10% trade discount and 2% cash discount from Ram. He was given payment by cheque.																							
May 2019, 9	Bank was asked to issue draft in favor of Mohit & Co. for ₹4,000. It charged commission ₹100.																							
May 2019, 15	Sold goods for ₹7,000 to a customer who gave ₹3,000 in cash and a cheque for the balance which was banked.																							
May 2019, 19	Received a cheque from Hari for ₹2900. He was allowed discount ₹100																							
May 2019, 29	Bought goods from Ramesh of list price ₹5,000 less 10% trade discount. Paid ₹160 as carriage.																							
May 2019, 30	Returned goods to Ramesh of List price ₹500.																							
May 2019, 31	Settled the account of Ramesh under 2% cash discount by endorsing cheque of Hari and by paying the balance via cash.																							
May 2019, 31	It is decided to keep the balance of cash in hand ₹1,500 by making necessary adjustment with bank A/c.																							



<b>Part B: - Financial Statements of Sole Proprietorship</b>		
26	<p>Which is not an example of Revenue Receipts?</p> <p>(a) Amount received from sale of goods.            (b) Amount received from sale of Investment.            (c) Fees received from providing services.            (d) Commission received.</p> <p style="text-align: center;"><b>OR</b></p> <p>Which of the following statement is not correct with respect to closing stock?</p> <p>(a) According to the prudence principle, closing stock is valued at lower of cost or net realizable value.            (b) If closing stock is given inside the Trial Balance, then it is not shown on the credit side of Trading Account since it has already been adjusted against the sum of Net Purchase.            (c) In the following year closing stock becomes opening stock.            (d) When adjusted purchases and closing stock both are given in the Trial Balance, then closing stock will only appear in the Trading Account.</p>	1
27	<p>Choose the correct sequence of Assets shown in the Balance sheet in the order of permanence.</p> <p>i) Sundry Debtors            ii) Closing stock            iii) Furniture            iv) Cash in hand</p> <p>a) iii, ii, i, iv            b) ii, i, iii, iv            c) iv, ii, i, iii            d) ii, iii, i, iv</p>	1
28	<p>Atul had an accident in the factory due to which goods costing ₹ 5,00,000 was completely damaged. It was insured and insurance claim of ₹ 4,50,000 was received. The resulting loss of ₹50,000 was transferred to Profit and Loss A/c. It will be adjusted in preparing Final Accounts as follows:</p> <p>(a) Loss of ₹ 50,000 transferred to Dr. side of Profit &amp; Loss A/c, ₹ 5,00,000 deducted from Purchases in Trading A/c and ₹ 4,50,000 added to Cash in the Balance sheet.            (b) Loss of ₹ 50,000 transferred to Dr. side of Profit &amp; Loss A/c, ₹ 5,00,000 deducted from Purchases in Trading A/c and ₹ 4,50,000 shown as insurance claim as an asset in the Balance sheet.            (c) ₹ 4,50,000 deducted from Purchases in Trading A/c and added to Cash in the Balance sheet.            (d) No adjustment will be made.</p>	1
29	<p>Types of account shown in the Balance Sheet are:</p> <p>(a) Nominal and real            (b) Nominal and personal            (c) None of these            (d) Real and Personal</p> <p style="text-align: center;"><b>OR</b></p> <p>Direct Expenses are entered in:</p> <p>(a) Profit &amp; Loss Account            (b) None of these            (c) Balance sheet            (d) Trading Account</p>	1
30	<p>Gross Profit on sales 20%, Gross Profit ₹ 30,000, Purchases Returns ₹ 50,000, Cash Purchases were 25% of Net Credit Purchases, Closing Stock ₹ 60,000, Opening Stock ₹ 25,000, Wages ₹ 5,000. Calculate Cash Purchase and Credit Purchase.</p>	3

31	Operating Profits earned by M/s Sharma & Sons in year 2022-23 was ₹ 12,50,000. Its Direct Expenses ₹ 3,00,000, Non-operating Incomes were ₹ 4,00,000, Non-operating Expenses were ₹ 5,00,000, Operating Expenses were ₹ 6,00,000, find out Gross Profit and Net Profit of the firm.	3																																												
32	<p>Following is the extract of Trial Balance as on 31<sup>st</sup> March 2023:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Dr. (₹)</th> <th>Cr. (₹)</th> </tr> </thead> <tbody> <tr> <td>Machinery (at Cost)</td> <td>50,000</td> <td></td> </tr> <tr> <td>Furniture</td> <td>60,000</td> <td></td> </tr> <tr> <td>Provision for Depreciation on Machinery</td> <td></td> <td>10,000</td> </tr> <tr> <td>Depreciation on furniture</td> <td>6000</td> <td></td> </tr> </tbody> </table> <p>Additional Information: Depreciation Machinery @ 10% p.a. on diminishing balance method. Show the relevant extract from the Profit and Loss Account and the Balance Sheet</p> <p style="text-align: center;"><b>OR</b></p> <p>From the following extracts of Trial Balance of Nirmal, you are required to pass Journal Entries in the books of firm for year ending 31<sup>st</sup> March 2023</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Dr. (₹)</th> <th>Cr. (₹)</th> </tr> </thead> <tbody> <tr> <td>Debtors (including Mohan for Dishonoured bill of ₹ 1,200)</td> <td>80,000</td> <td></td> </tr> <tr> <td>Bad debts</td> <td>3,000</td> <td></td> </tr> <tr> <td>Provision for Doubtful Debts</td> <td></td> <td>4,500</td> </tr> </tbody> </table> <p>Additional Information: -</p> <p>(a) Half the amount of Mohan's bills is irrecoverable.</p> <p>(b) Create a Provision for doubtful debts @10% on other debtors.</p>	Particulars	Dr. (₹)	Cr. (₹)	Machinery (at Cost)	50,000		Furniture	60,000		Provision for Depreciation on Machinery		10,000	Depreciation on furniture	6000		Particulars	Dr. (₹)	Cr. (₹)	Debtors (including Mohan for Dishonoured bill of ₹ 1,200)	80,000		Bad debts	3,000		Provision for Doubtful Debts		4,500	4																	
Particulars	Dr. (₹)	Cr. (₹)																																												
Machinery (at Cost)	50,000																																													
Furniture	60,000																																													
Provision for Depreciation on Machinery		10,000																																												
Depreciation on furniture	6000																																													
Particulars	Dr. (₹)	Cr. (₹)																																												
Debtors (including Mohan for Dishonoured bill of ₹ 1,200)	80,000																																													
Bad debts	3,000																																													
Provision for Doubtful Debts		4,500																																												
33	<p>Prepare a Trading Account from the following particulars for the year ended 31st March 2023:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>₹</th> <th>Particulars</th> <th>₹</th> </tr> </thead> <tbody> <tr> <td>Opening Stock</td> <td>2,50,000</td> <td>Purchase Returns</td> <td>22,000</td> </tr> <tr> <td>Purchases</td> <td>7,00,000</td> <td>Sales Return</td> <td>36,000</td> </tr> <tr> <td>Sales</td> <td>18,00,000</td> <td>Gas, Fuel and Power</td> <td>75,000</td> </tr> <tr> <td>Wages</td> <td>2,06,000</td> <td>Dock Charges</td> <td>8,000</td> </tr> <tr> <td>Carriage Inward</td> <td>34,000</td> <td>Factory Lighting</td> <td>96,000</td> </tr> <tr> <td>Carriage Outward</td> <td>20,000</td> <td>Office Lighting</td> <td>5,000</td> </tr> <tr> <td>Manufacturing Expenses</td> <td>2,48,000</td> <td></td> <td></td> </tr> </tbody> </table> <p>Closing Stock is valued at ₹ 6,00,000.</p>	Particulars	₹	Particulars	₹	Opening Stock	2,50,000	Purchase Returns	22,000	Purchases	7,00,000	Sales Return	36,000	Sales	18,00,000	Gas, Fuel and Power	75,000	Wages	2,06,000	Dock Charges	8,000	Carriage Inward	34,000	Factory Lighting	96,000	Carriage Outward	20,000	Office Lighting	5,000	Manufacturing Expenses	2,48,000			6												
Particulars	₹	Particulars	₹																																											
Opening Stock	2,50,000	Purchase Returns	22,000																																											
Purchases	7,00,000	Sales Return	36,000																																											
Sales	18,00,000	Gas, Fuel and Power	75,000																																											
Wages	2,06,000	Dock Charges	8,000																																											
Carriage Inward	34,000	Factory Lighting	96,000																																											
Carriage Outward	20,000	Office Lighting	5,000																																											
Manufacturing Expenses	2,48,000																																													
34	<p>Following balances are appeared in the books of M/s Fakeer Chand as on 31<sup>st</sup> March 2023:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>(₹)</th> <th>Particulars</th> <th>(₹)</th> </tr> </thead> <tbody> <tr> <td>Opening Stock</td> <td>25,000</td> <td>General Expenses</td> <td>5,400</td> </tr> <tr> <td>Furniture</td> <td>1,18,000</td> <td>Postage Expenses</td> <td>3,300</td> </tr> <tr> <td>Plant &amp; Machinery</td> <td>1,50,000</td> <td>Return Inward</td> <td>900</td> </tr> <tr> <td>Debtors</td> <td>30,000</td> <td>Bank</td> <td>42,500</td> </tr> <tr> <td>Wages</td> <td>12,000</td> <td>Sales</td> <td>3,27,800</td> </tr> <tr> <td>Salaries</td> <td>20,000</td> <td>Commission Received</td> <td>500</td> </tr> <tr> <td>Bad Debt</td> <td>1,000</td> <td>Return Outward</td> <td>1,000</td> </tr> <tr> <td>Purchases</td> <td>1,20,000</td> <td>Creditors</td> <td>50,000</td> </tr> <tr> <td>Electricity Charges</td> <td>1,200</td> <td>Depreciation on Furniture</td> <td>1,000</td> </tr> <tr> <td>Outstanding Electricity Expense</td> <td>1,000</td> <td>Capital</td> <td>1,50,000</td> </tr> </tbody> </table> <p>Prepare Trading &amp; Profit and Loss Account for the year ended 31<sup>st</sup> March 2021 and Balance Sheet as at that after considering the following adjustments: -</p> <p>(a) Closing Stock valued at ₹ 7,000.</p> <p>(b) Outstanding Wages were ₹ 600 and Salaries ₹ 1,400.</p> <p>(c) Depreciation is to be provided @ 5% p.a. on Plant &amp; Machinery (included purchase for ₹ 10,000 on 1<sup>st</sup> October 2020).</p>	Particulars	(₹)	Particulars	(₹)	Opening Stock	25,000	General Expenses	5,400	Furniture	1,18,000	Postage Expenses	3,300	Plant & Machinery	1,50,000	Return Inward	900	Debtors	30,000	Bank	42,500	Wages	12,000	Sales	3,27,800	Salaries	20,000	Commission Received	500	Bad Debt	1,000	Return Outward	1,000	Purchases	1,20,000	Creditors	50,000	Electricity Charges	1,200	Depreciation on Furniture	1,000	Outstanding Electricity Expense	1,000	Capital	1,50,000	6
Particulars	(₹)	Particulars	(₹)																																											
Opening Stock	25,000	General Expenses	5,400																																											
Furniture	1,18,000	Postage Expenses	3,300																																											
Plant & Machinery	1,50,000	Return Inward	900																																											
Debtors	30,000	Bank	42,500																																											
Wages	12,000	Sales	3,27,800																																											
Salaries	20,000	Commission Received	500																																											
Bad Debt	1,000	Return Outward	1,000																																											
Purchases	1,20,000	Creditors	50,000																																											
Electricity Charges	1,200	Depreciation on Furniture	1,000																																											
Outstanding Electricity Expense	1,000	Capital	1,50,000																																											



**OR**

The following were the balances extracted from the books of Vishvajeet as on March 31, 2021:

<b>Debit Balances</b>	<b>(₹)</b>	<b>Credit Balances</b>	<b>(₹)</b>
Cash in hand	540	Sales	98,780
Cash at bank	2,630	Return outwards	500
Purchases	40,675	Capital	62,000
Return inwards	680	Sundry creditors	6300
Wages	8,480	Rent	9,000
Fuel and Power	4,730		
Carriage on sales	3200		
Carriage on purchases	2040		
Opening stock	5,760		
Building	32,000		
Freehold land	10,000		
Machinery	20,000		
Salaries	15,000		
Patents	7,500		
General expenses	3,000		
Insurance	600		
Drawings	5,245		
Sundry debtors	14,500		

Considering the following adjustments prepare Trading and Profit and Loss Account as on March 31, 2021: -

- (a) Stock in hand on March 31, 2021, was ₹ 6,800.
- (b) Machinery is to be depreciated at the rate of 10% and patents @ 20%.
- (c) Salaries for the month of March 2021 amounting to ₹ 1,500 were outstanding.
- (d) Insurance includes a premium of ₹ 200 on a policy expiring on September 31, 2021.
- (e) Further bad debts are ₹ 500. Create a provision @ 5% on debtors.
- (f) Rent receivable ₹ 1,000.