

- Instructions :** (1) This paper contains **FIVE** questions.  
 (2) All questions are compulsory.  
 (3) Question No.2, 3, 4 have internal options.  
 (4) Figures in the right side in parenthesis indicate marks.

- Q:1** Explain following in detail: (14)  
 1. Comparison between Book-keeping and Accounting.  
 2. Comparison between Revenue and Capital Expenditure.
- Q:2** What is the meaning of Sole Proprietorship? Write a note on Trading Account and Profit & Loss Account in Final Accounts of Sole Proprietorship along with their respective proformas. (14)

OR

- Q:2** From the following Trial Balance of Pratiti, prepare Trading and Profit & Loss Account for the year ending 31<sup>st</sup> December, 2022 and Balance Sheet as on that date: (14)

Particulars	Rs.	Particulars	Rs.
Stock (1/1/'22)	23,000	Sales	82,500
Salaries	4,200	Purchases Returns	4,000
Railway Freight & Octroi	1,250	16% Loan (from 01/07/2022)	2,500
Carriage Inward	750	Interest on Investments	245
Drawings	7,500	Bills Payable	2,500
Machinery	12,500	Capital	50,000
Buildings	12,500	Discount	750
Debtors	37,500	Outstanding Wages	500
Travelling Expenses	500	Bad debts reserve	1,000
Bad Debts	1,000	Creditors	37,500
Investments	2,000	Commission	3,000

Insurance (for the year ending 28/02/'23)	600		
Cash on hand	270		
Bank Balance	3,350		
Furniture	4,000		
Purchases	45,000		
Advertisement Exp.	1,000		
Sales Return	5,000		
Wages	5,000		
Postage & Stationery	1,000		
Discount	1,525		
Interest on 16% Loan	50		
Bills Receivable	15,000		
	<b>1,84,495</b>		<b>1,84,495</b>

Adjustments:

1. Stock on 31/12/2022 is Rs. 9000.
2. Depreciate machinery at the rate of 10%, value of building on 31/12/2022 is Rs. 12,000.
3. Maintain bad debts reserve at 5% on debtors.
4. Calculate interest on capital at 12% p.a. and charge interest for six months on drawings at 12% p.a.

**Q:3** You are required to **prepare the Income and Expenditure Account** for the year ending on 31<sup>st</sup> December, 2019 and the **Balance Sheet** as on that date from the following particulars supplied to you by the Bombay Sports Club: (14)

**Balance Sheet as on 31<sup>st</sup> December, 2018.**

Particulars	Note No.	Rs.
<b>[A] Liabilities:</b>		
Capital Fund		64,000
Subscription received in advance		1,200
Outstanding Expenses		2,800
6% Loan		10,000
Income and Expenditure A/c		3,240
<b>TOTAL</b>		<b>81,240</b>
<b>[A] Assets:</b>		
Land and Building		60,000
Cash on Hand		20,000
Outstanding Debtors:		
For Subscription		760
For Locker's Rent		480

<b>TOTAL</b>	<b>81,240</b>
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**Dr. Receipts and Payments Account Cr.**

**For the year ending on 31<sup>st</sup> December, 2019**

Receipts	Rs.	Payments	Rs.
To Balance b/f (on 01/01/'19)	20,000	By Expenses:	
To Subscription:		2018	2,400
2018	400	2019	4,000
2019	4,200	By Furniture (01/07/'19)	8,000
2020	300	By Interest on loan	300
To Entrance Fees	1,600	By Refreshment Expenses	4,500
To Locker's Rent	1,400	By Balance c/f (on 31/12/'19)	16,700
To Income from Refreshments	8,000		
	<b>35,900</b>		<b>35,900</b>

Adjustments:

1. Subscription due but not received for the year 2019 Rs. 1,600.
2. Expenses due but not paid for the 2019 Rs. 500.
3. Salary due but not paid Rs. 1,000.
4. Depreciate land and building at 5% and furniture at 10%.
5. One-half of the entrance fees is to be capitalized.
6. Lockers' rent due but not received for the year 2019 Rs. 180.

**OR**

**Q:3** Explain the meaning of Non-Trading Concern and differentiate between Receipt and Payment Account and Income and Expenditure Account. **(14)**

**Q:4** Write a note on any 7 accounting vouchers used in Tally with relevant examples. **(14)**

**OR**

**Q:4** Record the following business transactions of Info Traders for the month of May 2022 in different vouchers: **(14)**

Info Traders Business Transactions	
Date	Transaction
2-5-22	Champion Systems paid Rs 1000 by cheque.
3-5-22	Bought office supplies for Rs 250 with Petty Cash
5-5-22	Rs 1200 paid to employees for wages by cheque
5-5-22	A cheque for Rs 5000 received from Science & Technologies Ltd. which was banked.
9-5-22	Digital Techno Computers was sold 1 IBM Pentium IV for Rs 26,345.
10-5-22	For Petty Cash, Rs 500 from Bank Account was withdrawn.
10-5-22	From Gold Plus computers, 1 Laserjet 1500 on credit for Rs 9,100

	was bought.
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- Q:5** Shri Ketan prepared the following Trial Balance on 31/03/2023. You are required to **prepare his Trading and Profit & Loss Account** for the year ending on 31/03/2023 and **Balance Sheet** as on that date after considering the adjustments given below: **(14)**

**Trial Balance as on 31/03/2023**

Debit Balances	Rs.	Credit Balances	Rs.
Cash on hand	540	Interest on Bank Deposits	200
Cash at Bank	10,630	Sales	98,580
Deposits in Bank	2,000	Goods Returns (Debit)	500
Purchases	40,675	Bills Payable	900
Goods Returns (Credit)	680	10% Mortgage Loan	10,000
Wages & Freight etc.	10,480	Commission received	100
Coal and Power	4,730	Discount	400
Bills Receivable	1,000	Capital	81,000
Packing expenses	3,200	Sundry Creditors	5,800
Carriage Inward	2,040		
Interest on Mortgage loan	400		
Stock of Goods (1 <sup>st</sup> April, 2022)	5,760		
Buildings	30,000		
Land	9,000		
Machines	20,000		
Tools	7,500		
Salary (upto 28/02/2023 paid)	14,300		
Printing & Stationery	900		
Postage & Telegram	400		
Purchases Expenses	800		
Trade Expenses	200		
Office Expenses	900		
Insurance	600		
Drawings	15,245		
Sundry Debtors	15,500		
	<b>1,97,480</b>		<b>1,97,480</b>

**Additional Information:**

- Cost of closing stock of Rs. 6,800 but its market price is Rs. 7,000.
- Depreciate Machinery at 10%, furniture by 10% and tools by 20%.
- Write off Rs. 500 as bad debts from debtors.
- Commission due but not received Rs. 194.
- Insurance Premium of Rs. 170 is paid on a policy up to 30/09/2023.
- Rs. 2000 spent on construction of bicycle shed for employees is included in wages.
- Maintain bad debts reserve at 5% on debtors and create reserve for discount debtors and creditors at 2%.
- Goods worth Rs. 200 are distributed free as samples and goods of Rs. 100 are given away as charity.
- On 01/10/2022, he brought his personal furniture worth Rs. 5,000 in the business which is not recorded in the books of account.