

CPA11 - Basic of Accounts

GUG/W/24/15271

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Note : All questions are compulsory.

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- GUG/W/24/15271**

- ix) Which of these accounts are not opened in a joint venture?
- | | |
|-----------------------|-------------------------------|
| a) Stock Reserve | b) Joint Bank A/c. |
| c) Joint Venture A/c. | d) Co-venturers personal A/c. |
- x) Who does the bank seek payment from if a discounted bill is dishonoured?
- | | |
|-------------|-----------|
| a) Endorser | b) Drawee |
| c) Drawer | d) Payee |

b) Fill in the blanks:

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- i) A balance sheet shows the ----- of a business entity.
- ii) Joint Bank Account is a -----.
- iii) ----- are assets that are purchased for permanent use in the business.
- iv) Any form of accounting which enables a business to be conducted more efficiently can be regarded as ----- accounting.
- v) Recording two aspects of each transaction is known as the ----- system.

c) Answer in one sentence.

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- i) What is Real Account?
- ii) What is Trial Balance?
- iii) What is meant by rectification of errors?
- iv) Why is Balance Sheet Prepared?
- v) What is Consignment Account?

2. a) What do you understand by Depreciation. Explain the causes of depreciation and types of depreciation methods. **10**

OR

b) M/s. Arya sisters purchased on 1st January 2013 a plant for Rs. 1,34,000 and spent Rs. 6,000 on its installation. The estimated life of the plant is 10 years other which in scrap value will be Rs. 10,000 only. Find out the amount of depreciation according to straight line method and prepare plant account for the first three years assuming that the accounting year ends on 31st Dec. **10**

3. a) What is the bills of exchange. Explain types of bills of exchange. **10**

OR

b) On 18th June, 2022 Rohan sold goods on credit for Rs. 40,000 to Navin. Rohan draws a bill for the amount due for 3 months on the same day. Navin accepted the bill and returned it to Rohan. On 19th June, 2022 Rohan discounted the bill with the bank at 15% p.a. **10**

On the due date Navin dishonoured his acceptance and bank paid noting charges Rs. 350/- Navin then requested Rohan to renew the bill.

Rohan agreed on the condition that Navin should pay interest on Balance at 12% p.a. plus noting charges by cheque and should accept a new bill for the balance for 2 months. These arrangements were carried through. But before the due date Navin was declared insolvent. Rohan received 60 paise in a rupee as first and final dividend from the private estate of Navin on 23rd Dec. 2022.

Give journal entries in the books of Navin.

4. a) What is Trading Account? Prepare the specimen of Trading Account. 10

OR

- b) From the following Trial Balance of Bharadwaj & Sons prepare trading and Profit & Loss account for the year ended and Balance Sheet as on 31st March, 2022. 10

Trial Balance as on 31st March, 2022.

Debit Balance	Amt (₹)	Credit Balance	Amt (₹)
Royalties	4,000	Sundry Creditors	56,000
Drawings	10,000	Sales	81,000
Wages	6,000	Purchase returns	3,000
Purchases	71,000	Capital	2,50,000
Cash	10,000	Bills payable	20,000
Sales Returns	5,000	Bank overdraft	40,000
Bank	40,000		
Insurance	1,000		
Furniture	34,000		
Buildings	1,20,000		
Sundry Debtors	1,00,000		
Bad debts	1,000		
Sundry Expenses	3,000		
Travelling Expenses	2,000		
Opening Stock	24,000		
Carriage outwards	1,600		
Rent	1,000		
Carriage Inward	400		
Salaries	16,000		
	4,50,000		4,50,000

Additional Information:

Closing Stock - ₹ 54,000

5. a) Why Balance Sheet is prepared? Prepare the performa. 10

OR

- b) From the following trial balance of Mangesh traders you are required to prepare Final Accounts. 10

Trial Balance as on 31st March, 2022

Particulars	Debit (₹)	Credit (₹)
Opening Stock	32,750	--
Purchases	55,000	--
Sales	--	89,500

Purchases Returns	--	2,630
Sales Returns	4,480	--
Royalties	4,000	--
Wages & Salaries	8,000	--
Office Salaries	11,000	--
Bills receivable	19,250	--
Bill payable	--	12,500
Office Equipments	20,000	--
Motor Van	30,400	--
Plant & Machinery	25,000	--
Bad debts	2,500	--
Advertisement	6,000	--
Cash in hand	5,000	--
Sundry Debtors	31,250	--
Reserve for bad debts	--	1,000
Sundry Creditors	--	24,000
Capital		1,25,000
	2,54,630	2,54,630

Adjustments:

- 1) Closing stock on 31st March, 2022 was valued at cost price ₹19,000, Market price ₹ 20,000.
- 2) Office Salaries outstanding ₹ 1,000
- 3) Prepaid wages ₹ 1,000
- 4) Provide depreciation @ 5%, 10% and 15% on office equipments, motor van and plant & machinery respectively.

6. a) What is Cash Flow Statement? State the uses of Cash Flow Statement. 10

OR

b) The following is the summary of Cash transactions of Anju Ltd. for the year ended March 31, 2022. 10

Receipts	Rs.	Payments	Rs.
Balance as on 01-04-2021	150	Payment to creditors	6,000
Issue of equity shares	900	Purchase of fixed assets	600
Receipts from customers	8,400	Expenses	600
Sale of fixed assets	300	Wages & salaries	300
		Tax	750
		Dividends	150
		Repayment of bank loan	900
		Balance as on 31-03-2022	450
	9,750		9,750

You are required to prepare a Cash Flow Statement for the year ended Mar. 31, 2022 in using direct method.
