

[Time: 3 Hours]**[Marks:80]**

Please check whether you have got the right question paper.

- N.B:**
1. Question 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 assigned to the question.

- Q1 A** Explain the advantages and disadvantages of Ratio Analysis. **10**
- B** From the following trial balance prepare trading and profit and loss account and balance sheet for M/s Vikrant & Co as on 31st march 2017. **10**

Particulars	Debit Amount (Rs.)	Particulars	Credit Amount (Rs.)
Opening stock	50,000	Sales	80,000
Factory rent	2,000	Creditors	20,000
Wages	3,000	Bills payable	10,000
Purchases	37,000	Capital	53,000
Carriage inward	3,000		
Salary	4,000		
Printing and stationary	2,000		
Land& Building	30,000		
Plant and machinery	17,000		
Furniture	5,000		
Debtors	5,000		
Cash in hand	5,000		
	1,63,000		1,63,000

Adjustment : Closing stock was valued at Rs.20,000

- Q2 A** Journalize following transactions in the books of Mr. Jha March 2016 **10**
1. Started business with cash Rs.1,50,000 and goods worth Rs.50,000
 6. Goods of Rs.1, 000 are used for domestic use.
 10. Purchased Goods Rs. 20,000@5% Cash Discount.
 11. Salaries Paid Rs. 5,000 by cheque.
 15. Bought goods of worth Rs.10, 000 for cash.
 17. Sold to Govind Goods of Rs.10, 000.
 20. Paid stationary charges Rs.2, 000.
 22. Received cash of Rs.9, 800 from Govind in full statement.
 25. Deposited 4,000 in bank.
 30. Distributed free samples of Rs.500.

Q.P. Code :03947

- B** What is meant by discount? What are its types? How can you differentiate between them? **05**
- Q3 A** What is meant by accounting concept? Explain different accounting concepts. **10**
- B** Explain the following terms. **05**
1.Capital 2.Drawings 3.Goods 4.Outstanding Expenses
5. Creditor.
- Q4 A** Prepare Triple Column Cash Book from the following transactions and balance the same for Suyash and Co. **10**
- | | |
|--------|--|
| Mar 01 | Cash in hand Rs.75, 000 and Bank balance Rs.30, 000. |
| Mar 07 | Sold goods to Suraj Enterprises for cash Rs.20, 000. |
| Mar 11 | Purchased Stationary of Rs.1, 500. Amount paid by cash. |
| Mar 15 | Bought goods from Ravi for Rs.5, 000. |
| Mar 20 | Rent paid by cheque Rs.2, 000. |
| Mar 22 | Deposited into Rs.5,000. |
| Mar 28 | Bank has credited interest Rs.250 in the account. |
| Mar 29 | Paid salaries by cash Rs.2, 500. |
| Mar 30 | Received cheques from Vinay Rs.5, 000 & Deposited immediately. |
| Mar 31 | Rs.2, 000 withdrawn from bank for office use. |
- B** Write short note on journal. Explain its proforma. **05**
- Q5 A** What is Budget? Explain the format and importance of cash budget. **10**
- B** What is an account? Discuss the golden rules of accounting. **05**
- Q6 A** From the following particulars extracted from the books of Ashok & Co. Ltd., compute the following ratios and comment: (a) Current ratio, (b) Acid Test Ratio, (c) Stock-Turnover Ratio, (d) Debtors Turnover Ratio, (e) Average Debt Collection period. **10**

	01-04-2002	31-03-2003
Bill Receivable	30,000	60,000
Bill Payable	60,000	30,000
Sundry Debtors	1,20,000	1,50,000
Sundry Creditors	75,000	1,05,000
Stock-in-trade	96,000	1,44,000

Additional information:

1. On 31-03-2003, there were assets: Building Rs.2, 00,000, Cash Rs.1, 20,000 and Cash at Bank Rs.96,000.
2. Cash purchases Rs.1, 38,000 and Purchases Returns were Rs.18, 000.
3. Gross profit was Rs.1, 50,000. Total Sale was Rs.6, 06,000 and sales return was Rs.6000.

B What is cash flow statement? What are its advantages?

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Q7 A From the following information prepare cash Budget for three months October-December.

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Month	Sales (Rs.)	Credit Purchases (Rs.)	Wages (Rs.)	Manufacturing Expenses (Rs.)
July	1,40,000	76,000	8,000	6,500
August	1,20,000	60,000	6,500	5,000
September	80,000	45,000	6,500	4,500
October	1,60,000	76,000	7,000	4,000
November	80,000	85,000	8,500	8,000
December	1,00,000	75,000	8,500	4,500

Other information:

- 1) Opening Cash balance is Rs.65, 000.
- 2) 75% sale is cash sale.
- 3) Credit allowed by supplier is two months.
- 4) Credit allowed to customer is one month.
- 5) Delay in payment of manufacturing expenses is one month.
- 6) ½ month delay is allowed for wages.
- 7) Dividend Rs.10, 000 to be paid in November.

B What is gross profit ratio and net profit ratio?

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