

DIWALI TEST 2015**Code no : DT01-11****Time : 150 mins.**

- Q.1(a)** Roshan, a chartered accountant earned ₹ 12,00,000 during the financial year 2014-2015. Out of which he received ₹ 10,50,000. He incurred an expenses of ₹ 5,10,000, out of which ₹ 1,20,000 are outstanding. He also received his fees relating to previous year ₹ 1,35,000 and also paid ₹ 60,000 expenses of last year. Find out Rohan's income for 2014-15 following the cash basis and accrual basis of accounting.
- Q.1(b)** From the following information, calculate the total assets of the business.
Capital ₹ 8,00,000, creditors ₹ 6,00,000, revenue earned during the period ₹ 15,00,000, expenses incurred during the period ₹ 4,00,000 and value of unsold stock ₹ 4,00,000.
- Q.1(c)** Prove that the accounting equation is satisfied in all the following transaction of Sudhir
- Started business with cash ₹ 1,00,000 and goods ₹ 40,000.
 - Bought goods on cash ₹ 30,000 and on credit for ₹ 20,000.
 - Good costing ₹ 48,000 sold at a profit of $33\frac{1}{3}\%$. Half the payment received in cash.
 - Purchased furniture for office use ₹ 12,000 and for household use of Sudhir ₹ 8,000.
 - Goods destroyed by fire ₹ 1,000.
 - Depreciation on furniture ₹ 2,000.
- Q.2** Journalise the following transactions in the books of Divya.
- Bought share in 'Birla Ltd.' for ₹ 5,00,000 and brokerage paid @ 2%. The payment is made by cheque.
 - Supplied goods costing ₹ 1,20,000 to Ishita, issued invoice at 10% above cost less 5% trade discount.
 - Good sold to Shrishti, list price ₹ 50,000, trade discount 10% and cash discount 5%. The cash discount was availed by Shrishti.
 - Sidharth who owed us ₹ 10,000 is declared insolvent and 65 paise in a rupee is received from his estate.
 - Provide interest on capital of ₹ 1,50,000 at 6% p.a for 9 months.
 - Received cash from Riya for a bad debt written-off last year ₹ 4,000.
 - Sold goods to Anshika for ₹ 40,000, allowing her a trade discount of 5% and a cash discount of 10%. She paid 1/4th of the amount in cash at the time of purchase.
 - Sold goods costing ₹ 45,000 to Shivani at a profit of $33\frac{1}{3}\%$ on cost less 20%. Trade discount and paid carriage ₹ 400 (to be charged from the customer)
 - Spent ₹ 300 for refreshment of a customer.

- Q.3** Journalise the following transactions in the books of Princess and post them into the ledger and prepare Trial Balance..

2013		Amt (₹)
Dec 1	Cash in hand	18,000
	Cash at bank	1,65,000
	Stock of goods	1,20,000
	Due to Noor	18,000
	Due from Nerain	30,000
Dec 3	Sold goods to Aarav	45,000
Dec 4	Cash sales	30,000

Dec 6	Goods sold to Hitanshi	15,000
Dec 8	Purchased goods from Aditi	90,000
Dec 10	Goods returned from Aarav	6,000
Dec 14	Cash received from Aarav	39,000
Dec 15	Cheque given to Noor	18,000
Dec 16	Cash received from Hitanshi	9,000
Dec 20	Cash received from Nerain	30,000
Dec 22	Cheque received from Hitanshi	6,000
Dec 25	Cash given to Aditi	54,000
Dec 26	Paid cartage	3,000
Dec 27	Paid salary	24,000
Dec 28	Cash sales	21,000
Dec 29	Cheque given to Aditi	36,000
Dec 30	Princess took goods for personal use	12,000
Dec 31	Paid general expenses	1,500

Q.4(a) From the following particulars provided by Rishab, prepare a cash book with suitable column.

2013		Amt (₹)
Mar 1	Cash in hand	85,000
	Bank Balance with ICICI	2,50,000
	Overdraft with (Axis)	1,75,000
Mar 3	Cash sales	70,000
Mar 5	Paid salary to staff by cheque on ICICI	1,00,000
Mar 8	Cheque recived from Raj deposited with Axis	90,000
Mar 10	Cash deposited into ICICI	50,000
Mar 12	Amount transferred from ICICI to Axis by cheque	30,000
Mar 15	Cash withdrew from ICICI	80,000

Q.4(b) Enter the following transaction in a cash book with cash and Bank column of Sangat.

2013		Amt (₹)
Dec 1	Started business with cash	50,000
Dec 2	Pays into bank	29,000
Dec 3	Received cheque from Sahil & Co.	800
Dec 5	Withdrew cash from bank for private use	240
Dec 14	Received cheque from Kunal	395
	Discount allowed	15
Dec 16	Kunal's cheque endorsed to Anuj in full settlement of his Account of ₹ 425	
Dec 29	Paid Bills payable by cheque	1,000
Dec 30	Deposited into bank, balance of cash in excess of ₹450.	

Q. 5 Prepare proper subsidiary books and post them to the ledger from the following transaction in the month of February, 2014.

2014		Amt (₹)
Feb 1	Goods sold to Aditya	5,000
Feb 4	Purchase from Paridhi Traders	2,400
Feb 6	Sold goods to Somya Traders	2,100
Feb 7	Aditya returned goods	600
Feb 8	Return to Paridhi Traders	280
Feb 10	Sold to Yash	3,300
Feb 14	Purchased from Vaibhav Traders	5,200
Feb 15	Furniture purchased from Shreya	3,200
Feb 17	Bought from Akash	4,060
Feb 20	Return to Vaibhav Traders	200
Feb 22	Return inwards from Yash	250
Feb 24	Purchased goods from Vanshika for list price, Less : 10% trade discount	5,700
Feb 25	Sold to Nitika goods (-) 5% trade discount	6,600

Feb 26	Sold to Rupali sisters	4,000
Feb 28	Return outwards to Vanshika (-) 10% trade discount	1,000
Feb 28	Rupali sisters returned goods	500

- Q. 6** From the following list of balance extracted from the books of Shubham prepare a Trial balance at 31st March, 2015. The amount required to balance should be entered as capital.

Name of Account	Amt (₹)	Name of Account	Amt (₹)
Purchase	3,64,000	Proprietor's Withdrawals	12,000
Stock on 1 st April, 2012	70,000	Sundry Debtors	72,000
Sales	8,00,00	Sundry Creditors	24,000
Sundry Expenses	3,000	Bad Debts	2,000
Leasehold Premises	1,00,000	Investment @ 10%	40,000
Freehold Premises	3,60,000	Interest on Investment	4,000
Return Inwards	5,000	Long-term Borrowings	1,20,000
Furniture and Fixture	58,000	Loan form SBI	1,60,000
Equipment	1,60,000	Interest on Loan	13,000
Repairs to Equipment	1,000	Petty Cash Account	80
Depreciation	16,000	Balance at Bank	6,920
		Stock on 31st March, 2015 (not adjusted)	92,000

- Q.7(a)** The cash book of Sanyam shows ₹ 16,728 as the balance at bank as on 31st December, 2014 but you find that this does not agree with the balance as per the bank pass book. On scrutiny you find the following discrepancies:

- On 15th December, the payments side of the cash book was undercast by ₹ 200.
 - A cheque of ₹ 262 issued on 25th December, was recorded in the cash column.
 - One deposit of ₹ 300 was recorded in the cash book as if there is not bank column therein.
 - On 18th December, the debit balance of ₹ 3,052 on the previous day, was brought forward as a credit balance.
 - Of the total cheques amounting to ₹ 23,028 drawn in the last week of December, cheques aggregating ₹ 15,630 were encasement in December.
 - Dividends of ₹ 500 collected by the bank and subscription of ₹ 200 paid by it were not recorded in the cash book.
 - One out-going cheque of ₹ 700 was recorded twice in the cash book.
- Prepare a bank reconciliation statement as on 31st December, 2014.

- Q.7(b)** Following information has been given by Arohi. Prepare a Bank reconciliation statement as on 31st March, 2015, showing balance as per cash book.

- Debit balance shown by pass book ₹ 17,800.
- Cheques of ₹ 21,600 were issued in the last week of March but only cheques of ₹ 14,800 were presented for payment.
- Cheques of ₹ 10,750 were presented to the bank. Out of them, a cheque of ₹ 4,200 was credited in the first week of April, 2015.
- A cheque of ₹ 1,200 was debited in the cash book but was not presented in the bank.
- Insurance premium paid by the bank ₹ 1,450.
- A bill of exchange of ₹ 6,200 which was discounted with the bank was returned dishonoured but no entry was made in the cash book.
- Bank charges and interest charged by the bank are ₹ 350.

- Q.8(a)** On 1st January, 2011 Arohi Ltd. purchased machinery for ₹ 20,00,000. Depreciation is provided @ 15% per annum on diminishing balance method. On 1st March, 2013 1/4 of machinery was damaged by fire and ₹ 40,000 were received from the insurance company in full settlement. On 1st September, 2013 another machinery was purchased by the company for ₹ 15,00,000.

Write up the machinery account for 2013 and 2014. Books are closed on 31st December every year.

- Q.8(b)** On 1st April, 2011 Shivin Ltd. purchased 10 machines of ₹ 30,000 each. on 30th June, 2012. 2 machine out of the 10 machines purchased on 1st April, 2011 was sold for ₹ 48,000 and on 31st December, 2013 one more machine was sold for ₹ 22,500. A new machine was purchased on 30th September, 2014 for ₹ 32,000. The company has adopted the practice of providing depreciation at 10% per annum on original cost of machine. The company closes its books on 31st March, every year. You are required to prepare machinery account upto 31 March, 2015.
- Q.9(a)** Journalise the following in the books of Hiteh. Akash informs Hiteh that Amol's acceptance for ₹ 26,000 endorsed in favour of Akash by Hitesh, has been dishonored, noting charges ₹ 400. Akash agrees to accept ₹ 6,000 in cash and an acceptance at 3 months together with interest @ 12% per annum.
- Q.9(b)** On 1st January, 2015, Neha sold goods for ₹ 20,000 to Muskan and drew upon her a bill of exchange payable after 2 months. One month before the maturity of the bill, Muskan approached Neha to accept the payment against the bill at a rebate @ 12% per annum. Neha agreed to the request of Muskan and Muskan retired the bill under the agreed rate of rebate.
Journalise the above transaction in the books of Neha and Muskan.
- Q.10(a)** Trial balance of AMANJOT did not agree. He put the difference to suspense account and discovered the following errors.
- (i) Credit sales to Lakshita ₹ 16,000 were recovered in the purchase books as ₹ 10,000 and posted to the debit of Lakshita as ₹ 1,000.
 - (ii) Furniture purchased from Arushi ₹ 6,000 was recorded through purchase books as ₹ 5,000 and posted to the debit of Arushi ₹ 2,000.
 - (iii) Goods returned to Ashwin ₹ 3,000 recorded through the sales books as ₹ 1,000.
 - (iv) Old machinery sold for ₹ 2,000 to Diksha recorded through sales books as ₹ 1,800 and posted to the credit of Erica as ₹ 1,200.
 - (v) Total of return inwards book ₹ 2,800 posted to purchases account.
- Rectify the above errors and prepare suspense account to ascertain the difference in trial balance.
- Q.10(b)** Trial balance of Vinayak showed on excess debit of ₹ 10,000. He put the difference to suspense account and discovered the following errors.
- (i) Depreciation written-off the furniture ₹ 6,000 was not posted to furniture account.
 - (ii) Credit sales to Sankalp ₹ 10,000 were recorded as ₹ 7,000
 - (iii) Purchase books undercast by ₹ 2,000.
 - (iv) Cash sales to Tushar ₹ 5,000 were not posted.
 - (v) Old machinery sold for ₹ 7,000 was credited to sales account.
 - (vi) Discount received ₹ 800 from Tanishq on paying such to him was not posted.
- Rectify the errors and prepare suspense account.



Happy Diwali

