

GOVERNMENT OF PUDUCHERRY

ACCOUNTANCY TEST IN COMMERCIAL TAXES DEPARTMENT
(WITHOUT BOOKS)

TIME: THREE HOURS

MAXIMUM MARKS: 100

NOTE: QUESTON No.1 IS COMPULSORY AND ANY FIVE OF THE REST

QUESTION No.1

From the following balances and additional information, prepare Trading, Profit and Loss account of Thiru Raghu for the year ending 31st March, 2014.

Debit balances	Rs.	Credit balances	Rs.
Drawings	40,000	Capital	2,00,000
Cash at Bank	17,000	Sales	1,60,000
Cash in hand	60,000	Sundry Creditors	45,000
Wages	10,000		
Purchases	20,000		
Stock on 31.03.2013	60,000		
Buildings	1,00,000		
Sundry Debtors	44,000		
Bills Receivable	29,000		
Rent	4,500		
Commission	2,500		
General Expenses	8,000		
Furniture	5,000		
Suspense Account	5,000		
Total	4,05,000		4,05,000

Additional information:

1. Closing stock Rs.40,000/- as on 31.03.2014
2. Interest on Capital at 6% to be provided.
3. Provide interest on drawing 5%
4. Depreciation on building at 10% per annum.
5. Write Off bad debts Rs.1,000/-
6. Wages outstanding Rs.500/-

(20 Marks)

QUESTION NO.2: Distinguish between any four of the following

- (i) Capital and revenue expenditure
- (ii) Balance sheet and statement of affairs
- (iii) Delcredere Commission and over riding commission
- (iv) Provisions and reserves
- (v) Debit note and Credit note
- (vi) Single entry and double entry methods

(16 Marks)

..2/---

QUESTION No.3

M/s Ram & Sons acquired a machine for Rs,1,80,000/- on 1st October, 2009 and spent Rs.2,000/- for its installation. The firm provided depreciation at 10% on original cost every year.

Pass necessary journal entries and prepare ledger accounts for first three years under the assumption that the accounts are closed on 31st March and the firm charges depreciation to the asset account.

(16 Marks)

QUESTION No.4

a) Choose the right answer for the following questions

- (i) For a bill of exchange there are Parties
(a) One (b) Two (c) Three
- (ii) Business transactions are of types
(a) One (b) Two (c) Three
- (iii) Asset minus liabilities
(a) Drawings (b) profit (c) Capital
- (iv) Expenses on research and development are classified under
Expenditure
(a) Capital (B) Revenue (c) Deferred revenue
- (v) Revenue items are in nature
(a) Recurring (b) non-recurring (c) none of these
- (vi) In promissory note to whom the amount is payable is called
(a) Drawee (b) Promisor (c) Drawer
- (vii) Nominal account having credit balance represents
(a) Income/gain (b) capital (c) Expense/losses
- (viii) The term depletion is used for
(a) natural resources (b) fixed assets
(c) intangible assets

(8 Marks)

...3/---

b) Rewrite and fill up the blanks with the right answer:-

- (i) Transactions between the owner and the business are treated separately as per the concept.
- (ii) Is a written document in support of a transaction.
- (iii) Credit sale can be obtained by preparingaccount.
- (iv) Statement sent by the consignor to the consignee along with the goods is called
- (v) Journal is the book ofentry
- (vi) The estimated value of an asset at the end of its economic life is called
- (vii) When a cheque received from the customer is dishonoured, his account is
- (viii) Discount allowed appears on the side of the cash book.

(8 Marks)

QUESTION No.5: Write notes on any **four** of the following:-

- a) Objectives of accounting
- b) Money measurement concept
- c) Accommodation bills
- d) Dual aspect concept of accounting
- e) Account Sales of consignment
- f) Journal proper

(16 Marks)

QUESTION No.6:

Jain of Delhi consigned 300 tins of coconut oil to Naran of Chandigarh invoiced at Rs.200/- per tin. Jain paid Rs.2,000/- as carriage and other expenses. The consignor drew a bill of exchange for Rs.16,000/- which was later discounted at Rs,15,700/-. The consignee sent an account sale showing the following details:-

- 280 tins sold at Rs.250/- per tin
- 20 tins sold at Rs.260/- per tin
- Storage and selling expenses Rs.5,000/-
- Clearing and cartage Rs.1,600/-
- Commission at 6% on sales
- The Consignee sent a draft for the balance

Prepare necessary ledger accounts in the books of the parties.

(16 Marks)

....4/-..

QUESTION No.7: On 01.01.2016 Sreya sold goods to Vishnu for Rs.10,000/- and draw upon him a bill of Exchange for 2 months. Vishnu accepted the bill and returned it to Sreya. On the date of maturity the bill was dishonoured by Vishnu.

Record necessary entries in all the cases given below in the books of Sreya under the assumption

- i) The bill is kept by Sreya till maturity
- ii) The bill is discounted by Sreya for Rs.200/- on 1st January, 2016
- iii) The bill is endorsed to Lallu by Sreya on 1st January, 2016

(16 Marks)

QUESTION No.8:

Raju and Saju are equal partners in a business in which the books are kept under single entry.

On 01.04.2014 the position was as flows:-

Liabilities	Rs.	Assets	Rs.
Capital Accounts:		Cash in hand	5,000
Raju	2,50,000	Cash at Bank	15,000
Saju	2,50,000	Bills receivable	30,000
Bills payable	20,000	Stock	1,00,000
Sundry Creditors	30,000	Sundry Debtors	25,000
		Furniture	1,25,000
		Plant & machinery	2,50,000
Total	5,50,000		5,50,000

On 31.03.2015 their position was as under:

	Rs.
Cash in hand	2,000
Sundry Creditors	35,000
Sundry Debtors	30,000
Bills receivable	26,000
Cash at Bank	10,000
Stock	1,10,000
Bills payable	10,000

Plant and machinery and furniture to be depreciated by 10%

Drawings:

	Rs.
Raju	...30,000
Saju	...25,000

Ascertain the profit for the year ended 31.03.2015.

(16 Marks)

&&&&&&& xxxxxxxx &&&&&&&