



Date: 13-11-2024

Dept. No. 

Max. : 100 Marks

Time: 09:00 am-12:00 pm

## SECTION A

Answer ANY FOUR of the following

4 x 10 = 40 Marks

1. State the differences between Double entry and Single-entry systems.
2. Explain the Debtor system of maintaining a Branch account.
3. From the following particulars, prepare Salem branch account for the year ended 31<sup>st</sup> December 2022.

Particulars	Rs
Goods sent to Branch	21500
Cash sent to Branch for expenses	7600
Cash Received from Branch	32400
Branch Stock on 31.12.2022	3230
Petty cash on 31.12.2022	104

4. On 1-1-2022, Mr. Sam purchased machinery on hire purchase system. The payment is to be made Rs 4000 on signing of the contract and Rs 4000 annually for three years. The cash price of the machinery is Rs 14900 and the rate of interest is 5%. Calculate the interest in each year's instalment.
5. Write down the Adjusting entry and accounting treatment in the final accounts for the following transactions: Goods distributed as free samples, Goods destroyed by fire and Closing stock.
6. A fire occurred in the premises of Shell Ltd on 10<sup>th</sup> October 2019. All stocks were destroyed, except to the extent of Rs 6200. From the following particulars, ascertain the loss of Stock suffered by the company.

Particulars	Rs
Stock on 1.1.2018	40000
Purchases during 2018	145000
Sales during 2018	200000
Stock on 31.12.2018	25000
Purchases during 2019, up to the date of fire	152000
Sales during 2019 up to the date of fire	189000

7. State the accounting entries for Fire claims.
8. A machine purchased on 1<sup>st</sup> July 2020 at a cost of Rs 14000 and Rs 1000 was spent on its installation. The depreciation is written off at 10% on the original cost every year. The depreciation is written off at 10% on

the original cost every year. The books are closed on 31<sup>st</sup> December each year. The machine was sold for Rs 9500 on 31<sup>st</sup> March 2023. Show the machinery account for all the three years.

## SECTION B

**Answer ANY THREE of the following**

**3 x 20 = 60 Marks**

9. Mr. Raj keeps his books of accounts under single entry system. His financial position on 31.12.2020 and 31.12.2021 was as follows:

Particulars	2020 Rs	2021 Rs
Cash	9860	800
Stock in trade	38520	57020
Plant & Machinery	54420	61000
Bills Receivable	-	16480
Sundry debtors	24840	43940
Sundry Creditors	72040	80000
Furniture	4960	5220
Drawings	-	5000

During the year he introduced additional capital of Rs 20000. From the above particulars prepare a statement of Profit and Loss of Mr. Raj for the year ended 31.12.2021 under Single entry system.

10. Distinguish between Hire purchase system and Instalment system.

11. A Head office at Chennai invoices goods to its Branch at Madurai at cost. The Head office paid all the branch expenses from its branch except petty cash expenses which were paid by the branch, From the following details relating to the Branch, prepare Branch stock A/c, Branch Debtors A/c, Branch Expenses A/c and Branch P & L A/c.

Particulars	Rs	Particulars	Rs
Stock (Opening)	21000	Discount to customers	4200
Debtors (Opening)	37800	Bad debts	1800
Petty cash (Opening)	600	Goods returned by customers to branch	1500
Goods sent from HO	78000	Salaries & Wages	18600
Cash sales	52500	Rent & Rates	3600
Goods returned to HO	3000	Debtors (closing)	29400
Advertisement	2400	Petty Cash (closing)	300
Cash received from debtors	85500	Credit sales	85200
Allowances to customers	600	Stock ( closing)	19500

12. From the following Trial Balance of Thiru Roy as on 31<sup>st</sup> March 2022, Prepare Trading and P & L A/c and Balance sheet taking into account the adjustments :

Debit balances	Rs	Credit balances	Rs
Land and Buildings	42000	Capital	62000
Machinery	20000	Sales	98780
Patents	7500	Returns Outwards	500
Stock 1-4-2021	5760	Sundry Creditors	6300
Sundry Debtors	14500	Bills payable	9000
Purchases	40675		

Cash in hand	540		
Cash at Bank	2630		

Return Inwards	680		
Wages	8480		
Fuel & Power	4730		
Carriage on Sales	3200		
Carriage on Purchases	2040		
Salaries	15000		
General Expenses	3000		
Insurance	600		
Drawings	5245		
	176580		176580

Adjustments:

- (i) Stock on 31-3-2022 was Rs 6800
- (ii) Salary outstanding Rs 1500
- (iii) Insurance Prepaid Rs 150
- (iv) Depreciate machinery @ 10% and patents @ 20%
- (v) Create a provision of 2% on debtors for bad debts

13. The following Purchases were made by a business house having three departments

Dept A – 1000 Units ]  
 Dept B – 2000 Units ] at a total cost of Rs 1,00,000  
 Dept C – 2400 Units ]

Stocks on 1<sup>st</sup> January were :

Dept A – 120 Units

Dept B – 80 Units

Dept C – 152 Units

Sales were :

Dept A – 1020 Units at Rs 20 each

Dept B – 1920 Units at Rs 22.50 each

Dept C – 2496 Units at Rs 25 each

The rate of gross profit is same in each case. Prepare Departmental trading account.

14. On 1<sup>st</sup> April 2021, Sam Ltd purchased a machinery for Rs 58000 and spent Rs 2000 on its installation. On 1<sup>st</sup> October 2021 an additional machinery costing Rs 20000 was purchased. On 1<sup>st</sup> October 2023 the machine purchased on 1<sup>st</sup> April 2021 was sold for Rs 28600 and on the same date, a new machine was purchased at a cost of Rs 40000. Show the machinery account for the first four years ending 31<sup>st</sup> March as per WDV method taking the rate of depreciation as 10%.

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