

- (A) Capital expenses. (B) Cash expenses
 (C) Revenue expenses. (D) Miscellaneous experience
- j) Cash price of asset + Interest =..... Price. 1
 (A) Contract. (B) Market
 (C) After depreciation. (D) Purchase
- k) In which method stock is valued at a price which is almost nearer to current market price? 1
 (A) LIFO Method (B) FIFO Method
 (C) Weighted Average Method (D) Standard price Method
- l) Which type of securities to be issued for getting long term capital? 1
 (A) equity share (B) preference share
 (C) Debenture (D) Convertible preference share
 (E) All of above
- m) Use of scrap from an asset, under replacement, in new construction is treated as: 1
 (A) Revenue income. (B) Capital income
 (C) Alternative income. (D) Casual income
- n) As per the Accountancy, term solicitor, Advocate, Doctor, C.A etc are 1
 (A) Professional persons (B) Business Firms
 (C) Company's (D) Citizens

Attempt any four questions from Q-2 to Q-8

- Q-2 Attempt all questions (14)**
- A Explain the methods of keeping Accounts. 7
 B Describe difference between Preference share and Ordinary share 7
- Q-3 Attempt all questions (14)**
- A Ahmadabad Municipal Corporation had laid down a water pipeline at a cost of Rs. 10, 00,000. The corporation has decided to lay down new additional pipeline and to replace old pipeline due to public demand. The corporation had installed new additional pipeline at a cost of Rs. 12, 50,000, Whereas in place of old pipeline new pipeline is replaced at a cost Rs. 32,50,000. The cost of laying pipeline has increased by 125% in the meantime. The discarded Material realised Rs. 2,50,000. Write journal entries. 7
- B Find out the closing Stock value according to **LIFO Method**. 7
- Receipts:**
- | | |
|-----------|--------------------------------|
| 1-4-2016 | 500 Units at Rs. 4.50 per unit |
| 21-6-2016 | 750 Units at Rs. 6.00 per unit |
- Issues:**
- | | |
|-----------|-----------|
| 11-4-2016 | 400 units |
| 25-6-2016 | 600 units |
- Q-4 Attempt all questions (14)**
- A Give the differences between FIFO Method and LIFO Method 7
 B Write a short note on Loan Syndication 7



Q-5

(14)

Solicitor Ram's Trial balance as on 31-3-2014 is as follows. Prepare his final Accounts:

Debit Balance	Rs.	Credit Balance	Rs.
Library-books	45,000	Capital	50,000
Office equipment	30,000	Reserve for	
Office Building	75,000	outstanding fees (1-4-	16,000
Office expenses	25,000	2013)	1,96,000
Salaries & allowances	30,000	Bills of fees	
Bank Balance :		Apprentice premium	
Office	20,000	(from 1-4-2013 for	10,000
Client	10,000	two years)	6,000
Cash on hand	3000	Outstanding salary	
Debtors for fees	25,000		
Client's sundry expenses	15,000		
	2,78,000		2,78,000

Additional Information :

- (1) Rs. 6,000 fees received in advance from clients is included in bill of fees.
- (2) Office expense of Rs. 1,000 is included in sundry expenses for clients.
- (3) Interest is to be counted at 20% on capital.
- (4) Depreciation at 10% Office building, Office equipment and Library books.

Q-6

(14)

Mahesh purchased a machine from Jayesh on 1-4-08. Details were as follows :

- (1) The cash price of the machine was Rs. 22,000.
- (2) Rs. 7,000 was paid on the date of purchase.
- (3) The instalments were paid as under :

1 St Instalment on 31-3-2009.	Rs. 6,500
2 nd Instalment on 31-3-2020.	Rs. 6,000
3 rd and final Instalment on 31-3-2011.	Rs. 5,500
- (4) Jayesh charged interest at 10% p.a. on the outstanding balance of cash price.
- (5) Mahesh provided depreciation on machine at 10% p.a. on Diminishing Balance Method.

From the above mentioned information:

Pass necessary journal entries in the books of Mahesh for each year assuming that machine is purchased on hire-purchase system.

Q-7

Attempt all questions

(14)

- A Define meaning advantages and disadvantages of LIFO method. 7
- B Short note : Book Building 7

Q-8

Attempt all questions

(14)

- A Surat Gas Co. Ltd re –built and re- equipped part of their works at a cost of Rs. 7,70,000. The part of old works so superseded cost Rs. 5,00,000 but if it is constructed at present them the cost would be more by 20% . Rs. 60,000 is realized by the sale of old materials and old materials 7



valued at Rs. 30,000 are used in the reconstruction and included in the above-mentioned cost.

Pass necessary journal entries in the books of the company to record the above transactions and state what amount should be charged to Capital and to Revenue, giving reasons for your answer.

B The following is a summary of receipts and issues of Material 'K' in a factory during March, 2016 : **7**

Receipts

1-3-2016	800 units at Rs 6 per unit
10-3-2016	900 units at Rs 8 per unit
20-3-2016	600 units at Rs 7 per unit

Issues :

8-3-2016	600 units
15-3-2016	800 units
25-3-2016	500 units

Prepare Stock Register as per FIFO Method.

