

CVM UNIVERSITY

M.Sc. (Plant & Machinery / Real Estate Valuation) Semester - I Examination – 2021

Wednesday, 24th February, 2021

2:00 PM to 04:00 PM

PAPER CODE: 101380102 / 101370102 - BOOK KEEPING AND ACCOUNTANCY

Total Marks: 60

- Note: (1) Attempt all questions.
(2) Figures to the right indicate marks.

Q. 1 (A) Answer the following multiple choice questions.

(08)

- (1) The process of recording financial data up to trial balance is known as?
A. Classifying
B. Summarising
C. Analysing
D. Book keeping
- (2) In credit transaction one of the two accounts involved is always which account?
A. Personal
B. Artificial person
C. Cash
D. Bank
- (3) "Debit what comes in and Credit what goes out" – rule is of which account?
A. Personal Account
B. Real Account
C. Nominal Account
D. None of above
- (4) Journal is a book of _____ entry.
A. Original
B. Prime
C. Original or prime
D. None of above
- (5) Wages is an example of?
A. Capital expense
B. Indirect expense
C. Direct expense
D. All of above
- (6) Which of the following would not be include Profit & loss account ?
A. Discount received
B. Salaries
C. Depreciation
D. Drawings
- (7) _____ are those which are identifiable with a cost object or a cost center.
A. Direct Cost
B. Indirect Cost
C. Total Cost
D. Overheads
- (8) Fixed cost per unit is always _____ and variable cost per units is always _____.
A. Total, Fixed
B. Variable, Fixed
C. Variable, Total
D. Fixed, Variable

(B) Answer the following (Fill in the blanks and True or False)

(08)

- (1) _____ entry is related to Scientific System of maintaining account.
(2) Debit all expenses & losses rule is for _____ account.
(3) Trading account is prepared to find out _____.
(4) The Break Even Point is a level of production where the total costs are _____ to the total revenue

- (5) Double Entry book keeping system was first introduced by Kautilya.
A. True B. False
- (6) If in the transaction, Name of person is mentioned and cheque is also mentioned then it is cash transaction.
A. True B. False
- (7) Rent account and discount account are real account.
A. True B. False
- (8) Margin of Safety is the difference between the actual sales and the break-even sales.
A. True B. False

Q. 2 Attempt any six of the following. (12)

- (1) Definition the term 'Book Keeping'.
- (2) Explain 'Credit Transaction' with example.
- (3) What is Sales Book?
- (4) Discuss format of Cash book.
- (5) Give journal entry of: Goods destroyed by fire Rs. 10,000
- (6) Discuss Income & Expenditure Account with its format.
- (7) What do you mean by 'Depreciation'?
- (8) Discuss 'Administrative Overhead' in brief.

Q. 3 What is Accounting? Discuss Objectives of Accounting in detail. (08)

OR

Q. 3 Write detailed note on 'Classification of Accounts' with rules of Debit and Credit. (08)

Q. 4 Mr. X submitted following balances form his ledger account. You are required to prepare Trial balance for the year ending on 31-03-2020. (08)

Particulars	Rs.	Particulars	Rs.
Capital	1,00,000	Purchase	90,000
Opening Stock	10,000	Creditors	13,800
Discount allowed	1,000	Cash	11,600
Commission received	1,400	Bills Payable	14,000
Sales	70,000	Debtors	18,000
Return outwards	2,000	Bills receivables	14,000
Return inwards	4,000	Salaries	50,000
Carriage inwards	1,200	Carriage outwards	1,400

OR

Q. 4 Enter following transactions in the journal of Mr. Parikh, post them into Ledger and prepare a Trial Balance. (08)

2020

- Jan. 1 He started business with Cash Rs. 90,000 and Bank balance Rs. 75,000
- Jan. 3 Bought goods from YR of Rs. 80,000 and paid half amount by cheque.
- Jan. 8 Paid salary Rs. 9,000 and rent & taxes Rs. 6,000.
- Jan. 9 Sold goods of Rs. 1,00,000 to Devam at 10% trade discount and 5% cash discount for cash.
- Jan. 11 Placed an order for supply of goods worth Rs. 25,000.

- Jan. 15 Goods worth Rs. 30,000 burnt by fire and insurance company accepted a claim of Rs. 16,500
 Jan. 24 Paid cheque of Rs. 38,000 to YR for settlement.
 Jan. 28 Purchased furniture of Rs. 9,000 from Nice Furniture Mart.

Q. 5 From the following Balance extracted from the books of M/s APA. Prepare Trading and Profit and Loss account and a Balance Sheet as on 31st December, 2020. **(08)**

Particular	Rs.	Particulars	Rs.
Opening Stock	1,250	Plant and Machinery	6,230
Sales	11,800	Return outwards	1,380
Depreciation	667	Cash in hand	835
Commission (Cr.)	1,211	Salaries	750
Insurance	380	Debtors	3,905
Carriage inwards	300	Discount (Dr.)	328
Furniture	670	Bills receivable	4,730
Printing Charges	481	Wages	1,589
Carriage outwards	200	Return inwards	1,659
Capital	11,228	Bank overdraft	4,000
Creditors	1,720	Purchases	8,679
Bills payable	1,541	Petty cash in hand	47
		Bad debts	180

Adjustment:

- (1) The value of closing stock on 31st December was Rs.3700.
- (2) Depreciate plant & furniture by 10%.

OR

Q. 5 Prepare Trading Account, Profit & Loss Account and Balance Sheet for Sole Proprietor Concern with imaginary figures. **(08)**

Q. 6 (A) UPIN Ltd acquired a machine at a cost of Rs. 3,500 on 01.01.2003. Its estimated working life is 4 years and it will fetch Rs. 500 residual value at the end of its life. The firm decided to write off depreciation by Straight Line Method. Determine amount of depreciation and rate of depreciation for the same. **(04)**

(B) Short Note on: Break Even Point **(04)**

OR

Q. 6 (A) Following information is available from SSP Ltd for the year 2019 and 2020: **(04)**

Particulars	2019	2020
Sales (Rs.)	20,00,000	25,00,000
Total Cost (Rs.)	17,00,000	20,00,000
Profit	3,00,000	5,00,000

You are required to calculate:

- 1) Break-Even-Point
 - 2) P/V Ratio
 - 3) Margin of Safety for the year 2019
 - 4) Sales required earning profit of Rs.4,00,000
- (B)** Discuss in detail: Fixed Cost and Variable Cost. **(04)**