

CAAE-62 (E)
COMMON ASSISTANT ACCOUNTS OFFICER EXAMINATION, 2017

DECEMBER, 2018

ADVANCED COMMERCIAL ACCOUNTS
(Without Books)

Time Allowed : 3 Hours

Maximum Marks : 150

- Note :** 1. Answer question No.1 and 2, which are **COMPULSORY**. In addition answer any **THREE** questions from the rest.
2. The question paper consists of 7 questions and 3 pages.

1. Trial Balance of Mr. Laxman Singh as on 31st March, 2018 is given below :-

Particulars	Dr.	Cr.
	Amt (Rs.)	Amt (Rs.)
Purchases	6,06,750	
Sales		9,87,800
Cash in Hand	31,700	
Wages	1,04,800	
Return Inward	68,000	
Sundry Creditors		63,000
Return Outward		66,200
Capital Accounts		8,10,000
Salaries	1,60,000	
Machinery	2,70,000	
Sundry Debtors	45,000	
Power and Fuel	47,300	
Drawings	52,450	
Carriage on Sales	32,000	
Carriage on Purchases	20,400	
Stock (1.4.2017)	57,600	
Building	3,50,000	
Car	50,000	
General Expenses	30,000	
Insurance (Annual Premium Paid on 1st October, 2017)	6,000	
Salary outstanding		5,000
Total	19,32,000	19,32,000

After incorporating the following adjustments prepare Trading Account, Profit & Loss Account and Balance Sheet for the year ended 31st March, 2018 :-

1. Provide depreciation on Machinery @ 15 %.
2. Closing Stock at Market Price as on 31.3.2018 is Rs. 90,000, however its cost price is Rs.70,000.
3. The car was sold at book value on 1st April, 2017 and the cash was used for personal needs by Mr. Laxman Singh- Account for this left unrecorded.
4. A fire occurred on 2nd April, 2018 destroying goods Rs. 10,000.

(25+20 = 45 Marks)

2. Following is the Receipt and Payment Account of Delhi Boat Club. Prepare Income & Expenditure Account for the year ending 31st March, 2018 and the Balance Sheet as on date :-

Receipt and Payment Account for the year ended 31st March, 2018-

Receipts	Amount (Rs.)	Payments	Amount Rs.
Opening Balance :		Rent & Taxes	96,100
Cash in Hand 1,51,300		Salaries	1,19,000
Cash at Bank —	1,51,300	Investment	2,40,000
Entrance Fee	65,200	Books	32,200
Subscriptions	3,20,000	Office Expenses	55,000
Interest	5,100	Electricity Charges	6,200
Donations	1,16,100	General Expenses	12,500
Cultural Programme	8,200	Closing Balance :	
		(i) Cash in Hand	43,000
		(ii) Cash at Bank	61,900
			1,04,900
	6,65,900		6,65,900

Additional Information:-

- In the beginning of the year the Club had Books of Rs.4,00,000 and Furniture of Rs. 60,000.
- Subscriptions in Arrears on 1st April, 2017 were Rs. 7,000 and Rs. 8,000 on 31st March, 2018.
- Rs.18,000 was due by way of Rent in the beginning and Rs.17,000 at the end of the year.
- Write off Rs.10,000 from Furniture and Rs. 32,000 from Books.

(15+15= 30 Marks)

3. Yellow Ltd. Purchased a machinery on 1st August, 2015 for Rs.70,000. On 1st October, 2016 it purchased another machine for Rs.24,000. On 30th June, 2017, it sold the first machine for Rs.36,500/- and on the same date purchased a new machinery for Rs.50,000. Depreciation is provided @ 20 % p.a. on cost each year on 31st March. Show the Machinery Account for three years.

(25 Marks)

4. Saraswati Ltd. Invited applications for issuing 2,00,000 Equity Shares of Rs. 10 each. The amounts were payable as under :-

On Application	Rs. 2 per share.
On allotment	Rs. 5 per share.
On First and Final Call	Rs. 3 per share.

Applications were received for 3,00,000 shares and pro-rata allotment was made to all the applicants. Money overpaid on application was adjusted towards allotment money. C to whom 3,000 shares was allotted, failed to pay First and Final Call money. His shares were forfeited. Out of forfeited shares, 2,500 shares were issued as fully paid-up @ Rs. 8 per share. Pass necessary Journal Entries to record the above transactions in the books of Saraswati Ltd.

(25 Marks)

5. A sold the goods to B Rs. 80,000 on 1st January, 2017. On the same date A drew a bill upon B for the amount at two months and B Accepted the bill and returned to A. A got discounted the bill from his bank at 20% p.a. Before the bill was due for payment B told to A that he is unable to pay the bill in full amount and requested to accept Rs .20,000 immediately and drew upon him another bill for the remaining amount for 3 months together with interest @ 20 % per annum. A agreed. The second bill was duly met. Give Journal Entries in the Books of A and B.

(25 Marks)

6. Write short notes on the following :-

- (a) Difference between Cash Discount and Trade discount.
- (b) Accrual Assumption.
- (c) Difference between share and debenture.
- (d) Difference between CGST, SGST, IGST and UTGST.
- (e) Accounting Entity or Business Entity Principle.

(5+5+5+5+5=25 Marks)

7. Attempt any Two of the following :-

- (a) Explain Auditor is a watch dog and not a blood hound".
- (b) Difference between Receipts & Payment Account and Income & Expenditure Account.
- (c) Role of accounting in Business.

(12½ +12½=25 Marks)