

Time – 1:00 hrs

Marks:20

Solve any two questions. All questions carries 10 marks each.

Q. 1) Enter the following transactions in the Three Column Cash Book
Of Mr. Rao

2013

January.

- 1 Cash in hand Rs.30,000.
Cash at bank Rs.2,000
- 3 Received a cheque for goods sold to Arun and deposited it into bank
Rs.1000.
- 5 Paid into bank Rs.4,000.
- 9 Paid cash to Dravid from whom goods worth Rs.6,000
were purchased for credit on 1st January on term 2% cash
discount within two weeks.
- 10 Paid to Raj by cheque Rs.2,400 in full settlement of
his account of Rs.2,500.
- 12 Received cash from Nathan Rs.4,750. Discount allowed
Rs.250.
- 19 Interest allowed by bank Rs.200.
- 20 Raj to whom we have issued a cheque has reported
that our cheque is dishonored.
- 31 Paid into bank all cash in excess of Rs.5,000.

Q. 2) Prepare cost sheet from the following particular in the book of Doshi & Co.

Raw material purchased = Rs. 1, 20,000

Paid freight charges = Rs 10,000

Wages paid to laborers = Rs 35,000

Directly chargeable expenses = Rs 25,000

Factory on cost = 20% of prime cost

General and administrative expenses = 4% of factory cost

Selling and distribution expenses = 5% of production cost

Profit 20% on sales

	Opening stock	Closing stock
Raw material	15,000	20,000
Work in progress	17,500	24,000
Finished goods	20,000	27,500

Q. 3) Explain the following terms with suitable example (any one)

- a. Subsidiary books of Accounts
- b. Accounting cycle