

(New Course)

(S. Prudhvi Singh)

DAY — II

SEAT NUMBER

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2021 IX 30

1030

J-613

(E)

**BOOK KEEPING & ACCOUNTANCY (50)**

Time : 3 Hrs.

(11 Pages)

Max. Marks : 80

Q. 1. Attempt the following sub-questions :

[20]

(A) Select the correct options and rewrite the sentences : (5)

- (1) A statement showing financial position of the business is called as \_\_\_\_\_ .
- (a) Trial Balance                      (b) Capital  
(c) Balance Sheet                      (d) Trading Account
- (2) The set of programme that directs the computer to perform desired task is \_\_\_\_\_ .
- (a) Software                              (b) Programme  
(c) Application                              (d) Hardware
- (3) The information supplied by financial statements are \_\_\_\_\_ in nature.
- (a) Universal                              (b) Complete  
(c) Historical                              (d) None of these
- (4) The balance on the capital A/c of retired partner is transferred to his \_\_\_\_\_ Account.
- (a) Executor's loan                      (b) Loan  
(c) Wife's loan                              (d) Son's loan

(5) The closing balance of Receipts and Payments account usually represents \_\_\_\_\_ balance.

- (a) Closing stock                      (b) Cash and Bank  
(c) Surplus                                (d) Deficit

(B) Write a word / term / phrase which can substitute each of the following statements : (5)

- (1) The shares on which dividend is not fixed.
- (2) Amount which is not recoverable from Drawee on account of insolvency.
- (3) Liability likely to arise in future on happening of some events.
- (4) Ratio by which surviving partners are benefitted on the death of the partner.
- (5) Account opened for revaluation of assets and liabilities.

(C) Find out odd one : (5)

- (1) Decrease in furniture, Patents written off, Increase in bills payable, R.D.D. written off.
- (2) Subscription received, Sundry receipts, Interest received, Audit fees.
- (3) Dock charges, Printing and stationery, Custom duty, Wages and salary.
- (4) Electricity Bill, Trade Bill, Inland Bill, Foreign Bill.
- (5) Creditors, Land and Building, General Reserve, Capital.

(D) Calculate the following : (5)

- (1) When depreciation is ₹ 7,500 and closing balance of Library books is ₹ 92,500. Calculate the opening balance of Library books.

- (2) A, B and C are partners sharing profits in proportion of  $\frac{1}{2}$ ,  $\frac{1}{3}$  and  $\frac{1}{6}$ . If A retires, what will be the new profit sharing ratio?
- (3) 12% p.a. interest on Bank loan ₹ 80,000 for 6 months. Calculate interest.
- (4) Insolvent partners capital A/c debit side total is ₹ 1,00,000 and credit side total is ₹ 60,000. Calculate deficiency.
- (5) Insurance premium is paid for the year ending 30<sup>th</sup> September, 2020, amounted to ₹ 1,500. Calculate prepaid insurance assuming that the year ending is 31<sup>st</sup> March, 2020.

Q. 2. The Balance sheet of Prathamesh and Shiv who share profit and losses in the ratio of 3:2 as at 31<sup>st</sup> March, 2020 was as under : [10]

**Balance Sheet as on 31<sup>st</sup> March, 2020**

Liabilities	Amount ₹	Assets	Amount ₹
Creditors	49,600	Cash at Bank	4,000
Capital :		Building	20,000
Prathamesh	28,000	Machinery	28,000
Shiv	28,000	Furniture	1,200
		Stock	16,400
		Debtors	36,000
	<b>1,05,600</b>		<b>1,05,600</b>

They take Ajay into partnership on 1<sup>st</sup> April, 2020. The terms being :

- (1) Ajay shall pay ₹ 4,000 as his share of Goodwill, the amount to be retained in business.

- (2) He shall bring in ₹ 12,000 as capital for  $\frac{1}{4}$ <sup>th</sup> share in the future profits.
- (3) The firm's assets were to be revalued as under :  
 Building ₹ 24,000, Machinery and Furniture to be reduced by 10%, a provision of 5% on debtors is to be made for doubtful debts; stock is to be taken at a value of ₹ 20,000.  
 Prepare :  
 (i) Profit and Loss Adjustment Account,  
 (ii) Capital Account of partners and  
 (iii) New Balance sheet

**OR**

Given below is the Balance sheet of Geeta, Yogita and Pranita who were sharing profits and losses equally :

**Balance Sheet as on 31<sup>st</sup> March, 2018**

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	10,500	Motor Car	25,000
Bank overdraft	5,000	Machinery	40,000
General Reserve	12,000	Furniture	15,000
Capital Account :		Debtors : 16,000	
Geeta	28,700	Less : R.D.D. 2,000	14,000
Yogita	31,800	Cash	24,000
Pranita	30,000		
	<b>1,18,000</b>		<b>1,18,000</b>

Geeta retired on 1<sup>st</sup> April, 2018 from the firm on the following terms :

- (1) Furniture be valued ₹ 14,000, Machinery at ₹ 38,000, and motor car ₹ 23,800.
- (2) Goodwill of the firm be valued at ₹ 15,000. However only Geeta's share in it is to be raised in the books.
- (3) R.D.D. be maintained at 5% on debtors.

Prepare :

- (i) Revaluation Account
- (ii) Partners' Capital Account
- (iii) Balance sheet of new firm

Q. 3. Prabhakar, Sushil and Sunil were in partnership sharing profit and losses in the ratio 2:2:1. Their balance sheet as on 31<sup>st</sup> March, 2019 was as under :

[10]

**Balance Sheet as on 31<sup>st</sup> March, 2019**

Liabilities		Assets	
	Amount ₹		Amount ₹
Capital :		Bank	500
Prabhakar	6,000	Loans and Advances	1,500
Sushil	4,000	Debtors	12,500
Sunil	3,000	Goodwill	1,500
Prabha's Loan A/c	12,000	Plant	2,000
Sundry creditors	12,000	Land	21,000
Bills payable	2,000		
	<b>39,000</b>		<b>39,000</b>

They decided to dissolve the firm as follows :

- (1) Assets realised as; Land ₹ 18,000; Goodwill ₹ 7,500; Loans and Advances ₹ 1,200; 10% of the debts proved bad.
- (2) Prabha's loan was discharged along with ₹ 600 as interest.
- (3) Creditors and Bills payable paid at 5% discount.
- (4) Prabhakar took plant at Book value.
- (5) Realisation expenses amounted to ₹ 2,000.

Prepare :

- (a) Realisation account
- (b) Partners' Capital Account and
- (c) Bank Account

OR

Mohini sold goods to Rohini worth ₹ 2,400 and accepted the bill drawn by Mohini for 2 months. Mohini discounted the bill with Bank of Maharashtra after one month at 15% p.a. The bill was dishonoured on the due date and Rohini requested Mohini to accept ₹ 400 along with interest ₹ 55 in cash. Mohini agreed and for the balance Rohini accepted a new bill of 3 months. But Rohini become insolvent and only 25% could be recovered from her estate.

Prepare :

Journal Entries in the Books of Mohini.

Q. 4. Niharika Ltd. issued 10,000 equity shares of ₹ 10 each at a premium of ₹ 2 per share payable as follows :

On application ₹ 3 per share

On allotment ₹ 5 per share (including premium)

On first and final call ₹ 4 per share

Applications were received for 12,000 equity shares and pro-rata allotment was made to all the applicants. The excess application money was adjusted with allotment.

Deepali who was allotted 20 shares failed to pay at first and final call and her shares were forfeited.

Pass Journal Entries in the books of Niharika Ltd.

OR

Explain the importance of computerized accounting system.

Q. 5. Sachin, Deepak and Gopal were partners sharing profits and losses in the ratio 3:2:1 respectively. Their balance sheet as on 31<sup>st</sup> March, 2020 is as under :

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**Balance Sheet as on 31<sup>st</sup> March, 2020**

Liabilities	Amount ₹	Assets	Amount ₹
Capital accounts :		Bank	7,000
Sachin	15,000	Investment	9,000
Deepak	10,000	Debtors	8,000
Gopal	5,000	Less : R.D.D.	<u>1,000</u>
Creditors	4,000	Motor Car	10,000
Bank Loan	10,000	Machinery	20,000
Bills payable	9,000		
	<b>53,000</b>		<b>53,000</b>

Gopal died on 30<sup>th</sup> June, 2020 and the following adjustments were made :

- (1) Gopal's share of goodwill is to be calculated at 2 years purchase of average profit of last 5 years.
- (2) Gopal's share of profit up to his death to be calculated on the basis of average profit of last 2 years.
- (3) Five years' profits were – I year ₹ 3,000, II year ₹ 5,500, III year ₹ 3,500, IV year ₹ 6,000, V year ₹ 12,000 respectively.
- (4) All debtors were good.
- (5) Assets were revalued as : Machinery ₹ 22,000, Motor Car ₹ 9,000, Investment ₹ 8,500.

Prepare :

- (1) Profit and Loss Adjustment Account
- (2) Gopal's Capital Account
- (3) Calculate Gopal's share of goodwill
- (4) Calculate Gopal's share on profit up to the date of his death.

**OR**

Following is the Balance sheet of Mukesh Company Ltd. as on 31<sup>st</sup> March, 2018 :

**Balance Sheet as on 31<sup>st</sup> March, 2018**

<b>Liabilities</b>	<b>Amount ₹</b>	<b>Assets</b>	<b>Amount ₹</b>
Share Capital	37,000	Land and Building	40,000
Reserve and Surplus	10,000	Plant and Machinery	10,000
12% Loans	10,000	Furniture	7,000
8% Debentures	20,000	Investments	17,000
Sundry Creditors	9,000	Sundry Debtors	12,000
	<b>86,000</b>		<b>86,000</b>

Convert the above Balance sheet into Vertical Balance sheet.

**Q. 6.** Following is the Balance sheet and Receipts and payments A/c of Pol Hospital, Parbhani :

**Balance Sheet as on 1<sup>st</sup> April, 2019**

<b>Liabilities</b>	<b>Amount ₹</b>	<b>Assets</b>	<b>Amount ₹</b>
Capital fund	89,850	Outstanding Subscription	400
Outstanding salary	1,500	Equipments	14,000
Medicines bill unpaid	900	Furniture	5,000
Outstanding Sundry Expenses	150	Building	70,000
		Cash in hand	500
		Cash at bank	2,500
	<b>92,400</b>		<b>92,400</b>



**Receipts and Payments Account**  
for the year ended 31<sup>st</sup> March, 2020

Dr.		Cr.	
Receipts	Amount ₹	Payments	Amount ₹
To Balance b/d		By Medicines	5,000
Cash in hand	500	(included previous	
Cash at bank	2,500	year outstanding)	
To Subscription	9,000	By Salaries	5,200
(included ₹400		(included previous	
received for		year outstanding)	
previous year)		By Taxes	720
To Sale of	1,500	By Sundry Expenses	
furniture (Book		(2018-19)	150
value ₹ 2,000)		By Insurance	5,000
To Donations	5,000	By Stationery	2,000
(capitalized)		By Electricity bill	6,000
To Life membership	3,000	By Balance c/d	
fees		Cash in hand	830
To Visit Fees	3,500	Cash at bank	2,100
To Mis.Receipts	1,500		
To Sale of old			
Newspaper	500		
	<b>27,000</b>		<b>27,000</b>

Additional information :

(1) 50% of Life membership fees should be capitalized

- (3) Depreciate Building by 10% p.a. and Equipments by ₹ 1,200.  
 (4) Outstanding salary ₹ 800.  
 (5) Prepaid taxes ₹ 100

Prepare :

Income and Expenditure Account for the year ended  
 31<sup>st</sup> March, 2020.

- Q. 7. M/s Wardha Traders is a partnership firm in which, Ramesh and Suresh are partners sharing profits and losses in equal ratio. From the Trial Balance given below and Adjustments, you are required to prepare Trading and Profit and Loss Account for the year ended on 31<sup>st</sup> March, 2017 and Balance Sheet as on that date.

[12]

**Trial Balance as on 31<sup>st</sup> March, 2017**

<b>Debit Balance</b>	<b>Amount ₹</b>	<b>Credit Balance</b>	<b>Amount ₹</b>
Stock (1 <sup>st</sup> April 2016)	32,500	Sundry creditors	45,325
Purchases	44,500	Sales	61,000
Sundry Debtors	1,00,000	Capital :	
Investment	40,500	Ramesh	1,20,000
Insurance	10,200	Suresh	40,000
Plant and machinery	15,000		
Salaries	4,850		
Bad debts	500		
Furniture	12,500		
Cash in hand	5,775		
	<b>2,66,325</b>		<b>2,66,325</b>

Adjustments :

- (1) Closing stock is valued at ₹ 28,000.
- (2) Goods of ₹ 3,000 distributed as a free sample.
- (3) Provide further Bad debts of ₹ 800.
- (4) Depreciate furniture at 5% p. a.
- (5) Insurance ₹ 1,875 is prepaid.

