BOOK KEEPING & ACCOUTANCY

Q.1A Write one word / term / phrase which can substitute each of the following statements:

[5 Marks]

a) Expenses which are paid before they are due.
b) Excess of total assets over total liabilities of 'not for profit' concerns.
c) Liability likely to arise in future on happening of certain event.
d) Bills of Exchange drawn and accepted without any valuable consideration.
e) It is damaged software, cracked nearly fully functional.

Q.1B Do you agree or disagree with the following statements. [5 Marks]

1) Partner's Current A/c always shows debit balance.
2) Purchase of sports equipment is capital expenditure.
3) New Ratio – Old Ratio = Sacrifice Ratio
4) Retiring partner is entitled to his share of goodwill.
5) Ratio Analysis is useful for inter-firm comparison.

Q.1C Answer in one sentence only. [5 Marks]

1) What is fluctuating capital method?
2) What is subscription?
3) Why new partner is admitted?
4) What is benefit ratio?
5) Why is Realization A/c opened?

Q.1D Find odd one out. [5 Marks]

1) Building, Furniture, Machinery, Bills Payable
2) School, Hospital, Bank, Club
3) Notary Public, drawer, drawee, payee
4) Public issue, Right issue, Reserved Capital, Bonus issue
5) Revaluation A/c, Profit and Loss Suspense A/c, Deficiency A/c, Executer's Loan A/c

Q.2 Raj and Dev are partners sharing Profit and Loss in the ratio of 3:2 respectively. [10 Marks]
The position as on 31st March, 2011 was as follows :

Liability		Amt. (Rs.)	Asset		Amt.(Rs.)
Capital	Raj	1,00,000	Building		1,00,000
	Dev	75,000	Stock		31,000
			Furniture		10,000
Creditors		10,000	Debtors	50,000	
Bill Payable		5,000	Less : RDD	1,000	49,000
General Reserve		15,000	Bank Balance		15,000
		2,05,000			2,05,000

On 1st April, 2011 they admitted Manoj on following terms:

1) Manoj should bring in cash Rs.1,00,000 as capital for 1/5th share in future profit and Rs.25,000 as Goodwill.
2) Building should be revalued for Rs.1,25,000.
3) Depreciate the furniture @ 12.5% and stock @ 10% p.a.
4) RDD should be maintained as it is.
5) The capital accounts of all partner's should be adjusted in their New Profit sharing ratio through bank accounts.

Prepare P&L Adjustment, Capital A/c, Balance Sheet of new firm.

OR

Q.2 Shaikh, Anil and Das were partner's sharing profit and losses in the ratio of 3:3:2.
Their Balance Sheet as on 31st March, 2012 [10 Marks]

Balance Sheet as on 31.03.2012

Liability		Amt. (Rs.)	Asset	Amt.(Rs.)
Capital	Shailesh	11,000	Building	10,000
	Anil	15,000	Machinery	10,700
	Das	8,000	Furniture	10,000
Creditors		9,000	Debtors	5,000
Bill Payable		1,900	Stock	6,600
Reserve Fund		4,000	Cash	6,600
		48,900		48,900

On 1st April, 2012 Mr. Das retired from the firm on the following terms:

1) Shailesh and Anil's share in Reserve Fund should be continued in new firm.
2) Goodwill of the firm to be valued at Rs.4,000 . However, only Das's share in it is to be raised in their books and written off immediately.
3) Asset to be revalued as – stock Rs.6,300, Machinery Rs.10,000, Furniture Rs.10,200.
4) R.D.D. to be maintained at 10% on debtors.
5) Rs.100 to be written off from creditors.
6) The amount payable to Mr. Das is to be transferred to his loan A/c.

Prepare P&L Adjustment A/c, Partner's Capital A/c and Balance Sheet of the new firm.

Q.3 The following is the Balance Sheet of Rita, Sita and Gita, who share profits and losses equally.

[10 Marks]

Balance Sheet as on 31.03.2019

Liability	Amt. (Rs.)	Asset	Amt.(Rs.)
Capital Rita	25,000	Bank	5,000
Sita	15,000	Stock	15,000
Reserve Fund	9,000	Machinery	25,000
Creditors	20,000	Bills Receivable	9,000
		Debtors	10,000
		Gita's Capital	5,000
	69,000		69,000

They decided to dissolve the firm and assets realized as follows:
Stock Rs.10,000, Machinery Rs.15,000, Debtors Rs.8,000 and Bills Receivable Rs.7,100.
Creditors were paid at a discount of 2%. Realisation expenses were paid at Rs.2,500.
Gita became insolvent and the Partner's could recover only Rs.2,500 from her private property.
Prepare Realisation A/c, Cash/Bank A/c, Partner's Capital A/c.

OR

[10 Marks]

Q.3 Vaidya sold goods to Sathe @ 5% T.D. and on the same date drew a bill for 2 months on Sathe. Sathe accepted the same and returned to Vaidya. Vaidya then endorsed the bill to Joshi.

On the due date Joshi informed Vaidya about dishonour of bill and noting charges paid by him Rs.50. Vaidya settled Joshi's A/c and drew a fresh bill on Sathe for the amount due plus interest Rs.100 for one month. The new bill was honoured on due date.

Pass Journal Entries in the books of Vaidya.

Q.4 Bharat Ltd. Issued 7,000 Equity shares of Rs.10/- each payable as follows: [8 Marks]
On Application Rs.4, on allotment Rs.4, on 1st call Rs.2. The company received applications for 10,000 Equity Shares. The excess applications were rejected and refunded. The money due on allotment and calls were received in full except on 100 shares. The call amount was due. These shares were forfeited.
Pass Journal Entries to record the above transactions in the books of company.

OR

Q.4 Explain the importance of computerized Accounting System. [8 Marks]

Q.5 Sheetal, Anjali, Rajendra were sharing profit and losses as 7:5:4. [8 Marks]
Their Balance sheet as on 31st March, 2012.

Balance Sheet as on 31.03.2012

Liability		Amt. (Rs.)	Asset	Amt.(Rs.)
Capital	Sheetal	23,000	Furniture	17,000
	Anjali	15,000	Machinery	18,000
	Rajendra	12,000	Building	16,000
Bills Payable		4,000	Cash	37,000
Creditors		8,000		
Loan		10,000		
General Reserve		16,000		
		88,000		88,000

Rajendra died on 30th June, 2012 and the following adjustments were agreed as per deed.

1. Furniture, Machinery and Building are to be revalued at Rs.16,700/-, Rs.16,200/-, Rs.30,100/-.
2. Rajendra's share of goodwill to be valued from Firms' goodwill which was valued at two times the average profit of last three years. Profit of last three years – Rs.30,000/-, Rs.25,000/-, Rs.20,000/-.
3. His profit upto the date of death to be calculated on the basis on last year's profit.
4. Rajendra was entitled to get salary of Rs.800/- per month.
5. Interest on capital @ 10 p.a. to be allowed.
6. Rajendra's drawings upto date of death were Rs.600/- per month.

Prepare –

1) Rajendra's Capital A/c showing the amount payable to his executors.
2) Give working of share of goodwill and profit.

OR

Q.5 From the following Balance sheet of Ajanta Ltd., prepare Comparative Balance Sheet as on 31.03.2019 and 31.03.2020 [8 Marks]

Liabilities	31.03.2019	31.03.2020	Assets	31.03.2019	31.03.2020
Share Capital	50,000	55,000	Building	80,000	88,000
Reserve & Surplus	15,000	18,000	Machinery	30,000	36,000
Bank Loan	55,000	60,500	Bank	22,000	17,600
Creditors	14,000	21,000	Debtors	12,000	18,000
Bills Payable	10,000	5,100			
	1,44,000	1,59,600		1,44,000	1,59,600

Q.6 From the information given below of Jeevan Vikas Mission, Kalyan. [12 Marks]
You are required to prepare Income and Expenditure A/c and Balance sheet as on 31.03.2019.

Balance Sheet as on 1.4.2018

Liability	Amt. (Rs.)	Asset	Amt.(Rs.)
Capital Fund	4,99,100	Library Books	1,15,500
		Library Equipments	1,25,000
Loan	5,00,000	Furniture	1,10,000
		Building	6,25,000
		Cash in hand	3,500
		Cash at Bank	20,100
	9,99,100		9,99,100

Receipts and Payments A/c for the year ending 31.03.2019

Receipts	Amt. (Rs.)	Payments	Amt. (Rs.)	Amt. (Rs.)
		-		
To Balance b/d		By Salaries		6,25,200
Cash in hand	3,500	By Purchases		
Cash at Bank	20,100	Laboratory Equipments	10,000	
		Library Books	50,000	
To Tuition Fees	3,67,500	Furnitures	20,000	80,000
To Term Fees	35,000	By Sundry Expenses		10,000
To Admission fees	30,600	By Printing & Stationery		35,800
To Government Grant (Revenue)	3,50,000	By Annual Social Gathering Expenses		18,000
To Sundry Receipts	1,300	By Balance c/d		
		Cash		4,000
		Bank		35,000
	8,08,000			8,08,000

Adjustments :

1. Tuition fee outstanding Rs.13,500
2. Outstanding Interest on Loan Rs.60,000
3. Entire admission fees are to be capitalized.
4. Depreciation is to be written off as – Library Book Rs.50,000, Furniture Rs.30,000 Laboratory Equipments Rs.20,000 and Building Rs.30,000.

Q.7 From the following Trial Balance of M/s. Keshav and Gopal. You are required to Prepare Trading and P&L A/c for the year ended 31st March, 2018 and Balance Sheet As on that date. They share the profit and losses in their capital ratio. [12 Marks]

Trial Balance as on 31st March, 2018

Debit Balance	Amt. (Rs.)	Credit Balance	Amt. (Rs.)
Opening Stock	28,000	Capital	
Purchases	1,16,400	Keshav	80,000
Trade expenses	2,400	Gopal	40,000
Royalties	6,200		
Wages & Salaries	14,800	Creditors	54,000
Advertisement	8,200	Sales	2,12,000
Salaries	11,000	R.D.D.	1,800
Plant & Machinery	44,000	Bills Payable	36,000
Free hold property	36,000		
Office Rent	4,000		
Motor Van	63,000		
Bill Receivable	16,000		
Debtors	60,000		
Cash	10,000		
Bad debts	1,000		
General Expenses	2,800		
	4,23,800		4,23,800

Adjustments :

1. Closing stock was valued at cost Rs.76,000 while its market price was Rs.80,000
2. Uninsured goods worth Rs.10,000 was stolen.
3. Goods worth Rs.10,000 were sold and delivered on 31st March, 2018 but no entry is passed in Sales Book.
4. Depreciate Plant & Machinery @ 10% and Motor Van @ 15% p.a.
5. Create R.D.D. provision @ 5% on Debtors
6. Bills Receivable includes a dishonoured bill at Rs.4,000