

SYJC Preliminary Examination 2022

Date: 28/01/2022

Marks: 80

Time: 3 hrs.

Q1: Attempt the following Sub Question. (20)

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

- 1) The balance on the Capital A/c of the deceased partner is transferred to his _____ Account.
(a) Loan A/c (b) Wife's Loan (c) Executor's Loan (d) Son's Loan
- 2) The Closing Balance of Receipts and Payment account usually represents _____ balance.
(a) Surplus (b) Deficit (c) Closing Stock (d) Cash & Bank.
- 3) _____ software is distributed illegally in violation of copyright law.
(a) Demo (b) Fake (c) Licensed (d) Pirated
- 4) To find out Net Profit or Net Loss of the business _____ account is prepared.
(a) Trading (b) Capital (c) Profit & Loss (d) Current.
- 5) The common size statement requires _____.
(a) Common base (b) Journal Entries (c) Cash flow (d) Current Ratio

(B) Write a Word/Term/Phrase which can substitute each of the following statements. (5)

- 1) Issue of shares at their face value.
- 2) Person who is in possession of Bill of Exchange.
- 3) Ratio by which continuing partners are benefited on the retirement of a partner.
- 4) Under this method Capital balances of partners remain constant.
- 5) Receipts which are not recurring in nature.

(C) Find the odd one: (5)

- 1) Building, Machinery, Furniture, Bills payable.
- 2) Trading Account, Profit and Loss Account, Receipts and Payments Account, Balance Sheet.
- 3) Surplus, Deficit, Net Profit, Capital Fund.
- 4) Notary Public, Drawer, Drawee, Payee.
- 5) General reserve, Creditor, Machinery, 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 the 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 30th September 2020, amounted to ₹1,500. Calculate prepaid insurance assuming that the year ending is 31st March 2020.

Q2: Anil and Sunil were partners sharing profits and losses in the ratio of 2:1 respectively. Their Balance Sheet was as follows: (10)

Balance Sheet as on 31st March, 2020.

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital A/cs:		Cash at Bank	4,000
Anil	24,000	Debtors	15,000
Sunil	16,000	Stock	23,500
Trade Creditors	26,000	Furniture	5,000
Anil's Loan A/c	6,500	Building	25,000
	<u>72,500</u>		<u>72,500</u>

On 1st April 2020, Ram is admitted in the partnership on the following terms:

- (1) Ram should bring in cash of ₹12,000 as capital for $\frac{1}{5}$ th share in future profits.
- (2) Goodwill A/c be raised in the books of the firm for ₹4,500.
- (3) Building is revalued at ₹28,000 and the value of stock be reduced by ₹1,500.
- (4) Reserve for doubtful debts be provided at 5% on debtors.

- Prepare :**
- (a) Profit and Loss Adjustment account.
 - (b) Capital Accounts of partners.
 - (c) Balance Sheet of the new firm.

OR

Q2: The Balance sheet of Ram, Shyam & Ghanshyam sharing profit and losses 3:2:1 respectively.

Their position on 31-03-2019 were as follows: (10)

Balance Sheet as on 31st March, 2019.

Liabilities	Amount (₹)	Assets	Amount (₹)
Capitals:		Bank	54,000
Ram	1,20,000	Debtors	90,000
Shyam	90,000	Building	60,000
Ghanshyam	60,000	Investment	1,50,000

Creditors	22,000		
Bills Payable	62,000		
	<u>3,54,000</u>		<u>3,54,000</u>

Ghanshyam retired on 1st April, 2019 on the following terms.

- (1) Building and Investment to be appreciated by 5% and 10% respectively.
- (2) Provision for Doubtful Debts to be created at 5% on Debtors.
- (3) The provision of ₹3,000 be made in respect of Outstanding Salary.
- (4) Goodwill of the firm is valued at ₹90,000 and partners decide that goodwill should be written back.
- (5) The amount payable to the Retiring partner be transferred to his Loan A/c.

Prepare: Profit and Loss Adjustment A/c, Partners Capital A/c, Balance Sheet of New firm.

Q3: Following is the Balance Sheet of Vaibhav, Sanjay and Santosh. (10)

Balance Sheet as on 31st March, 2019.

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital A/cs:		Machinery	6,000
Vaibhav	36,000	Goodwill	9,000
Sanjay	27,000	Stock and Debtors	57,000
Creditors	12,000	Profit & Loss Account	18,000
Bank Overdraft	18,000	Santosh's Capital	3,000
	<u>93,000</u>		<u>93,000</u>

Santosh is declared insolvent so the firm is dissolved and assets realized as follows:

- (1) Stock and Debtors ₹54,000, Goodwill – NIL, Machinery at Book value.
- (2) Creditors allowed discount at 10%.
- (3) Santosh could pay only 25 paise in rupee of the balance due.
- (4) Profit sharing ratio was 8:4:3.
- (5) A contingent liability against the firm ₹9,000 is cleared.

Give Ledger Accounts to close the books of the firm.

OR

Q3: Journalise the following transaction in the books of Abhishek:- (10)

- (a) Siddhant informs Abhishek that Vineet's acceptance for ₹23,000 endorsed to Siddhant has been dishonoured. Noting Charges amounted to ₹430.
- (b) Kajal renews her acceptance to Abhishek for ₹39,000 by paying ₹3,000 in cash and accepting a fresh bill for the balance along with interest at 11.5% p.a. for 3 months.
- (c) Radhika retired her acceptance to Abhishek for ₹23,000 by paying ₹22,250 by cheque.
- (d) Abhishek sent a bill of Subodh for ₹9,000 to bank for collection. Bank informed that the bill has been dishonoured by Subodh.

Q4: The Alfo Ltd., made an issue of 10,000 Equity shares of 20 each payable as follows: (8)

Application: ₹ 5	Allotment: ₹ 10
First Call: ₹ 2	Final Call: ₹ 3

The company received applications for 15,000 shares of which applications for 5,000 shares were rejected and money refunded. The directors made all the calls. One shareholder, holding 100 shares failed to pay first and final call. **Pass Journal Entries in the books of Alfo Ltd.**

OR

Q4: Explain Features of Computerized Accounting System. (8)

Q5: Supriya, Surekha and Sujata were partners sharing profits and losses in the ratio of 2:2:1 respectively. Their Balance Sheet as on 31st March, 2012 was as follows : (8)

Balance Sheet as on 31st March, 2012.

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital A/cs:		Land and Building	50,000
Supriya	40,000	Stock	30,000
Surekha	40,000	Debtors	37,500
Sujata	20,000	Less: R.D.D.	- 2,500
Reserve Fund	10,000	Furniture	10,000
Creditors	16,000	Cash at Bank	5,000
Outstanding Expenses	4,000		
	<hr/>		<hr/>
	1,30,000		1,30,000

Sujata died on 1st July, 2012 and the adjustments were agreed to as per the deed as follows:

- (1) Land and Building to be valued at ₹60,000 and all debtors were good.
- (2) Stock be depreciated by 10%.
- (3) The drawings of Sujata upto the date of her death amounted to ₹2,000.
- (4) Interest on capital was to be allowed at 10% p.a.
- (5) The deceased partner's share of goodwill is to be valued at 2 years purchase of average profit of last 3 years. The profits were:
2009-10 = ₹15,000; 2010-11 = ₹17,000; 2011-12 = ₹13,000
- (6) The deceased partner's share of profit upto the date of her death should be based on the average profit of last two years.

- Prepare :**
- (a) Profit & Loss Adjustment A/c.
 - (b) Sujata's Capital Account &
 - (c) Working Notes for Goodwill & Share of Profit.

OR

Q5: Prepare common size Income Statement for the year ended 31.3.17 and 31.3.18 (8)

Particulars	31.03.17 (₹)	31.03.18 (₹)
Sales	2,00,000	2,00,000
Cost of goods sold	1,50,000	1,70,000
Office and Administrative Expenses	4,000	6,000
Selling and Distribution Expenses	6,000	1,000

Q6: From the following transactions of Receipts and Payments Account of “Pavan-Putra Hanuman Vyayamshala” Parbhani, and the adjustments given, you are required to prepare Income and Expenditure Account and Balance Sheet as on 31st March, 2019. (12)

Receipts and Payment Account for the year ending 31.03.2019.

Dr.

Cr.

Receipts	Amount (₹)	Payments	Amount (₹)
To Balance b/d		By Salaries	6,000
Cash in Hand	5,000	By Entertainment Expenses	2,480
To Subscriptions		By Sundry Expenses	1,300
2018 – 19 18,000		By Electricity Charges	1,200
2019 – 20 <u>410</u>	18,410	By Rent	700
To Donations	6,000	By Investment	15,000
To Receipts from Entertainment	5,400	By Printing & Stationery	800
To Interest	400	By Postage	3,200
To Entrance fees	6,200	By Fixed Deposit	3,900
		By Balance c/d	
		Cash in Hand	6,830
	<hr/>		<hr/>
	41,410		41,410

Adjustments :

- (1) There are 500 members paying an annual subscription of ₹50 each.
- (2) Outstanding Salary was ₹1,200.

- (3) The Assets on 01.04.2018 were as follows: Building ₹50,000, Furniture ₹15,000.
- (4) Provide depreciation on Building and Furniture at 5% and 10% respectively.
- (5) 50% of Entrance Fees is to be capitalized.
- (6) Interest on Investment at 5% p.a. has accrued for 6 months.
- (7) Capital Fund ₹70,000 on 01.04.2018.

Q7: Rekha and Sonal 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 31st March, 2017 and Balance Sheet as on that date. (12)

Trial Balance as on 31st March, 2017.

Debit Balance	Amount (₹)	Credit Balance	Amount (₹)
Stock (1 st April 2016)	32,500	Sundry Creditors	45,325
Purchases	44,500	Sales	61,000
Sundry Debtors	1,00,000	Capital :	
Investment	40,500	Rekha	1,20,000
Insurance	10,200	Sonal	40,000
Plant & Machinery	15,000		
Salaries	4,850		
Bad debts	500		
Furniture	12,500		
Cash in hand	5,775		
	2,66,325		2,66,325

Adjustments :

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