



R.D. and S. H. National College and S. W. A. Science College  
Linking Road, Bandra West, Mumbai 400050

JUNIOR COLLEGE

SYJC (2021-22) PRELIMINARY EXAMINATION January 2022

SUBJECT: BOOK KEEPING & ACCOUNTANCY

Max Marks: 80

Duration: 3 Hrs

Q. 1 Attempt the following sub questions

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

1) Liability of partners in a partnership business is.....

- (a) Limited (b) Unlimited  
(c) Limited and unlimited (d) None of the above

2) Expenditure on purchase of building is a .....expenditure.

- (a) Capital (b) Revenue (c) General (d) Recurring

(3) Decrease in the value of assets should be.....to Revaluation Account

- (a) Debited (b) Credited (c) Added (d) Equal

(4) Notary Public is .....

- (a) Drawer (b) Government Officer (c) Payee (d) Endorsee

(5) If the number of partners in a firm falls below two, the firm stands.....

- (a) Dissolved (b) Established (c) Realisation (d) Restructured

(B) Write a word/term/phrase for the following (5)

(1) The shares on which dividend is not fixed.

(2) Debit balance of revaluation account

(3) A person in whose favour a bill is endorsed

(4) Donation received for a specific purpose.

(5) A partner who died

(C) Find out odd one (5)

(1) General Reserve, Creditors, Machinery, Capital

(2) Inland bill, Foreign bill, Electricity bill, Trade bill

(3) Export duty, Rent, Wages, salary

(4) Surplus, deficit, Net Profit, Capital Fund

(5) Discount received, Interest received, Depreciation, commission received  
 (D) Calculate the following (5)

- (1) 12%p. a. interest on Bank loan Rs 60000 for 6 months. Calculate interest.  
 (2) A and B are partners sharing profits and losses in ratio 3:2. C admitted for 1/5 Ratio . Calculate new profit sharing ratio.  
 (3) Insolvent partners capital A/C debit side total is 70,000 and credit side total is 55,000. Calculate deficiency  
 (4) Calculate depreciation at 12.5% on machinery of 50,000 for 6 months  
 (5) Salary is paid for 11 months for Rs22,000 . Calculate amount of outstanding Salary

Q2. Veena & Meena were in partnership sharing profits & losses in the proportion of 3/4 and 1/4 respectively (10)

Balance sheet as on 31/3/2018

LIABILITIES	Amt	ASSETS	Amt
Creditors	1,20,000	Land & Building	75,000
General reserve	12,000	Furniture	6,000
<u>Capital A/C</u>		Stock	60,000
Veena 90,000		Debtors	60,000
Meena 48,000	1,38,000	Bills Receivable	39,000
-----		Cash	30,000
Total	----- 2,70,000	Total	----- 2,70,000

They decided to admit Nayana on 1 April 2018 on following terms:

1. She should be given 1/5 th share in profit and for that she brought in Rs 60,000 through RTGS.
2. Goodwill should be raised at rs 60,000
3. Appreciate Land & Building by 20%
4. Depreciate Furniture & Stock by 10%
5. The capitals of all partners should be adjusted in their new profit sharing ratio through cash A/C

Prepare Revaluation A/C, Partners Capital A/C & Balance sheet of new firm.

OR

Q2 Given below is Balance Sheet of the firm oh Nana, Nani, Sona who share profits & losses in the ratio of their capital (10)

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

LIABILITY	Amt	ASSETS	Amt
Capital A/C		Machinery	20,000
Nana	50,000	Building	55,000
Nani	20,000	Stock	12,000
Sona	30,000	Debtors	12,000
Creditors	10,000	<u>Less R.D.D (-)1,000</u>	11,000
Bills Payable	5,000	Cash	17,000
<b>Total</b>	<b><u>1,15,000</u></b>	<b>Total</b>	<b><u>1,15,000</u></b>

Sona retires on 1<sup>st</sup> April 2019 and following adjustments were agreed

1. Stock is to be valued at 92% of its Book Value
2. R.D.D is to be maintained at 10% on debtors
3. Building appreciated by 20%
4. Goodwill of the firm is 12,000. Sona's share in the same to be adjusted in the accounts of continuing partners in Gain Ratio
5. The entire capital of the new firm be fixed at Rs.1,60,000 between Nana & Nani in their new profit sharing ratio which is fixed at 3:1 making adjustments in cash
6. Amount payable to Sona paid in cash

Prepare Revaluation A/C, Partners capital A/Cs, Balance Sheet as on 1<sup>st</sup> April 2019

Q.3. Smita & Prabha were partners sharing profits & losses in the ratio of 3:2. Their Balance Sheet is given below (10)

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

<b>LIABILITY</b>	<b>Amt</b>	<b>ASSETS</b>	<b>Amt</b>
<b>Capital A/Cs</b>		<b>Building</b>	<b>7,000</b>
Smita	10,000	<b>Plant</b>	<b>9,000</b>
Prabha	6,000	<b>Debtors</b>	<b>14,000</b>
<b>Current A/Cs</b>		<b>Stock</b>	<b>5,000</b>
Smita	3,000	<b>Bank</b>	<b>6,000</b>
Prabha	2,000		
<b>Creditors</b>	<b>17,400</b>		
<b>Bills Payable</b>	<b>2,600</b>		
<b>Total</b>	<b>41,000</b>	<b>Total</b>	<b>41,000</b>

The firm was dissolved on the above date & the assets realized as under

1. Plant Rs 8,000, Building Rs 6,000, Stock Rs 4,000, Debtors 12,000
2. Smita agreed to pay of the Bills Payable
3. Creditors were paid in full
4. Dissolution expenses were Rs 1,400

Prepare Realisation A/C, Partners Current A/C, Partners Capital A/C & Bank A/C

OR

Q3. Rohan sold goods to Mohan worth Rs 2,400. Mohan accepted bill of same amount drawn by Rohan for 2 months. Rohan discounted the bill after 1 month at 12% p a. The bill was dishonoured & Mohan requested Rohan to renew it. Part payment was made for Rs 1,000 along with interest of Rs 70. New bill was drawn for remaining amount for 3 months. But Mohan became insolvent & only 25% of the amount was recovered from his estate. Pass journal entries in books of Rohan. (10)

Q4. Everest company Limited invited applications for 50,000 equity shares of Rs.100 each at par payable as follows :

On Application Rs 30, On Allotment Rs 40, On First & Final call Rs 30.

The public applied for 35,000 shares and all these were allotted. All money due were collected with an exception of first & final call on 4000 shares, these were forfeited

All forfeited shares were re-issued by the Directors at Rs80 per share  
Pass journal entries in books of Everest Company Limited. (8)

OR

Q.4. Compare between manual accounting process and Computerised accounting process. (8)

Q.5. Rina, Vinay & Durga are partners sharing profits & losses in the ratio 5:3:2 respectively. Their Balance Sheet is given below

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

LIABILITIES	Amt	ASSETS	Amt
General Reserve	25,000	Goodwill	50,000
Creditors	1,00,000	Loose Tools	50,000
Unpaid Rent	25,000	Debtors	1,50,000
<u>Capital Accounts</u>		Livestock	1,00,000
Rina	1,00,000	Cash	25,000
Vinay	75,000		
Durga	50,000		
<b>Total</b>	<b>3,75,000</b>	<b>Total</b>	<b>3,75,000</b>

Durga died on 31<sup>st</sup> July 2018 and the following adjustments were agreed

- Creditors have increased by 10,000
- Goodwill is to be calculated at 2 years purchase of average profits of 5 years. The profits of last five years:
 

2013-14	90,000,	2014-15	1,00,000
2015-16	60,000,	2016-17	50,000
2017-18	50,000(loss)		

 Durga's share in it was given to her
- Loose Tools and Livestock were valued at Rs 80,000 & Rs 1,20,000

Respectively

4. R.D. D. was maintained at Rs 10,000
5. Commission Rs 2,000 p.m. was payable to Durga. Profit for 2018-19 was estimated at Rs 45,000 and Durga's share in it upto the date of death was given to her.  
Prepare Revaluation A/C, Durga's capital A/C showing the amount payable to her executors. (8)

OR

Q.5 Prepare comparative Income Statement of Saurabh Limited for the year ended 31.3.17 and 31.3.18 (8)

PARTICULARS	31.3.17	31.3.18
Sales	4,00,000	6,00,000
Indirect Expenses	16,000	24,000
Cost of Sales	24,000	56,000
Income Tax	50%	50%

Q6. From the following Receipts and Payments Account and additional information of Classique Club, Pune, Prepare Income & Expenditure Account for the year ended 31<sup>st</sup> March 2020 and Balancesheet as on that date

Receipts and Payments A/c for the year ended 31<sup>st</sup> Mar 2020

Receipts	Amount	Payments	Amount
To Balance b/d	3,000	By Salaries	4,000
To Subscription	5,000	By Printing & Stationery	1,000
To Donations (Revenue)	5,000	By Commission	500
To Entrance fees	4,000	By Rent	2,000
To Interest	1,000	By Electric Charges	1,500
		By Furniture	8,000
		By Balance c/d	1,000
<b>Total</b>	<b>18,000</b>	<b>Total</b>	<b>18,000</b>

**Additional Information****(12)**

1. Outstanding Rent was Rs.200
2. Subscription includes Rs.1000 as Subscription received in advance and subscription outstanding for the current year was Rs.500
3. Depreciate Furniture @ 8% p.a.
4. 50% Entrance fees to be capitalized
5. Capital Fund was Rs.3000

**Q7. From the following Trial Balance of Jia & Sia , you are required to prepare Trading & Profit & Loss Account and Balancesheet as on that date. (12)**

**Trial Balance as on 31<sup>st</sup> March 2021**

<b>Debit Balance</b>	<b>Amount</b>	<b>Credit Balance</b>	<b>Amount</b>
<b>Stock (01/04/2020)</b>	<b>30,800</b>	<b><u>Capital A/c</u></b>	
<b>Purchases</b>	<b>80,000</b>	<b>JIA</b>	<b>80,000</b>
<b>Salaries</b>	<b>5,000</b>	<b>SIA</b>	<b>80,000</b>
<b>Wages</b>	<b>7,500</b>	<b>Sundry Creditors</b>	<b>20,500</b>
<b>Carriage</b>	<b>3,000</b>	<b>Interest received on Fixed</b>	<b>1,000</b>
<b>Royalties</b>	<b>2,500</b>	<b>Deposit</b>	
<b>Freight</b>	<b>700</b>	<b>Bank Overdraft</b>	<b>10,000</b>
<b>Printing &amp; Stationery</b>	<b>1,050</b>	<b>Sales</b>	<b>1,20,000</b>
<b>Sundry Debtors</b>	<b>43,000</b>		
<b>Furniture</b>	<b>20,200</b>		
<b>Leasehold Property</b>	<b>25,000</b>		
<b>Investment</b>	<b>15,000</b>		
<b>Travelling Expenses</b>	<b>3,450</b>		
<b>Advertisement ( For 3 years)</b>	<b>30,000</b>		
<b>Bad Debts</b>	<b>500</b>		
<b>Discount Allowed</b>	<b>1,800</b>		
<b>Cash in Hand</b>	<b>7,000</b>		
<b>Cash at Bank</b>	<b>20,000</b>		
<b>Fixed Deposits</b>	<b>15,000</b>		
<b>Total</b>	<b><u>3,11,500</u></b>	<b>Total</b>	<b><u>3,11,500</u></b>

**Adjustments**

1. Stock as on 31<sup>st</sup> March 2021, cost price Rs.40,000 and market price Rs.35,000
2. Provide R.D.D @ 2.5% on Sundry Debtors
3. Interest on Fixed Deposit Rs.1200 is still receivable
4. Goods of Rs.8,000 burnt by fire, insurance company admitted claim of Rs.6000 only
5. Depreciate Furniture by 5%

\*\*\*\*\*ALL THE VERY BEST\*\*\*\*\*