

1st SEMESTER EXAMINATION

2017-18

STD: - XII

Sub: Book-Keeping & Accountancy

Marks: 80

Date:

Time: 3 hrs.

Q.1 A] Fill in the blanks with suitable options given (5)

1. Assets and liabilities are transferred to Realisation Account at their _____ values.
a) Market b) purchase c) sale d) book
2. When the capital balance of partners change every year, it is known as _____ capital method.
a) Fixed b) Fluctuating c) blocked d) reducing
3. Single entry system is _____ .
a) Complete b) incomplete c) scientific d) popular
4. A, B, C are partners sharing profits and losses in the ratio of 5:3:2. If B retires the new ratio will be _____ .
a) 5:3 b) 3:2 c) 5:2 d) 1:1
5. In case of not for profit concern the excess of assets over liabilities is termed as _____.
a) Surplus b) Deficit c) Capital fund d) Loan

B] Give one word or phrase for: (5)

- a) Name the method in which only cash and personal transactions are recorded.
- b) The main source of revenue income for not for profit concern.
- c) The debit balance of trading account
- d) Expenses paid before they are due
- e) List of balances of various ledger accounts.

C] Answer the following in one sentence each. (5)

1. How is closing stock valued?
2. What do you mean by Sacrifice Ratio?
3. How is a debit balance of profit and Loss account dealt with on death of a partner?
4. Who is called an insolvent partner?
5. Which type of accounts are maintained under single entry system?

Q2. The following is the Balance Sheet of M/s. Sukhdeo and Hanumant on 31st March,2012. They share profits and losses in the proportion of 3/5 and 2/5 respectively. (10)

Balance Sheet as on 31st March,2012

Liabilities	Amount	Assets	Amount
Creditors	124000	Cash at Bank	10000
Capital A/c:		Land and Building	50000
Sukhdeo 70000		Plant and Machinery	70000
Hanumant 70000	140000	Furniture	3000
		Stock	41000
		Debtors	90000
	<u>264000</u>		<u>264000</u>

They take Shakuntala into Partnership on 1st April 2012. The Terms being:

1. That she shall pay `10000 as per share of Goodwill, the amount to be retained in the business.
2. That she shall bring in `30000 as capital for 1/4th share in the future profits.
3. The firm's assets were to be revalued as under:

- a. land and building to be valued at `60000; plant and machinery and furniture to be reduced by 10%
- b. a provision of 5% on debtors is to be made for doubtful debts.
- c. The stock is to be taken at a value of `50000
4. the excess of capital of Sukhdeo and Hanumant over their due proportion of sharing profit in the firm is to be transferred to their respective loan accounts.

Prepare Profit and Loss adjustment A/c, capital account of partner and opening Balance sheet of the firm.

Q. 3. Gajanan, Ganpati and Ganraj were partners sharing profits and losses in the ratio 3:2:1 respectively. Their Balance Sheet was as under: (10)

Balance Sheet as on 31st March, 2012

Liabilities	Amount	Assets	Amount
Trade Creditors	30000	Sundry Assets	80000
Capital:		Machinery	35000
Gajanan	60000	Furniture and Fixtures	3000
Ganpati	55000	Stock	25000
Ganraj	45000	Debtors	30000
		Less: Reserve	1000
		Bank Balance	15000
		Cash in hand	3000
	<u>190000</u>		<u>190000</u>

Ganraj decided to retire on 1st April, 2012 on the following terms:

1. Goodwill of the firm is valued at `24000
2. Decrease the value of Sundry Assets, Machinery and stock by 10%.
3. Furniture and Fixtures were taken over by Gajanan at `2700.
4. Make a provision for unpaid expenses `700.
5. An amount due to Ganraj `6500 to be paid by cheque and remaining amount should be transferred to his Loan A/c.

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

OR

The following is the Balance Sheet of Sona, Roopa, and Kanchan who were partners sharing profits and losses in the ratio 2:2:1 (10)

Balance Sheet as on 31st March, 2012

Liabilities	Amount	Assets	Amount
Creditors	22000	Plant & Machinery	55800
Capital:		Investment	30000
Sona	40000	Stock	24000
Roopa	30000	Debtors	20800
Kanchan	40000	Less: R D D	800
Outstanding Salaries	6000	Cash	8200
	<u>138000</u>		<u>138000</u>

Kanchan Died on 1st July, 2012 and following adjustments were made in the books of the firm:

1. All the debtors were considered as good and reserve for debtors were no longer necessary.
2. A contingent liability for compensation of `600 was to be provided.
3. Investment worth `20000 were taken over by the executor of Kanchan and the remaining Investments were sold for `10000.
4. Stock was revalued at `30000 and Plant and Machinery was depreciated by 10%.
5. The goodwill of the firm was valued at `20000 and was to be shown in the books.
6. The deceased partner's share in profit upto the date of her death was to be calculated on the basis of the preceding years profit, which was `16000.

**Prepare: Profit and Loss Adjustment A/c, Capital A/cs of the partners
and the Balance Sheet of the New Firm just after Kanchan death**

Q.4. A, B and C were partners sharing profits and losses in the ratio 3:1:1. They decided to dissolve the firm on 31.3.2012 **(10)**

Balance Sheet as on 31st March,2012

Liabilities	Amount	Assets	Amount
Creditors	6000	Cash	3200
Loan	1500	Sundry Assets	17000
A's Capital	27500	Debtors	24200
B's Capital	10000	Less: RDD	1200
C's Capital	7000	Stock	7800
		Furniture	1000
	<u>52000</u>		<u>52000</u>

The dissolution was carried on as follows:

- 1) A took over furniture at `800;Debtors `20000 at `17200 and is liable to discharge the creditors of `6000 and the loan with the interest of `30 which is not recorded in the books of the firm.
- 2) B took over stock at `7000 and out of Sundry assets, assets of `8000 at `7200.
- 3) C took over remaining assets at `8000.
- 4) Realisation expenses amounted to `720 and `2100 recovered from the remaining debtors.

You are required to pass Journal Entries in the books of the firm.

Q.5. From the following Balance Sheet and Receipts and Payments Account of Anna Bhau English School, Delhi; Prepare the Income and Expenditure account for the year ending 31.03.2010 and balance Sheet as on that date. **(10)**

Balance Sheet as on 31st March,2010

Liabilities	Amount	Assets	Amount
Entrance fees	60000	Computer Laboratory	200000
Capital Fund	1038000	Furniture	168000
		Library	250000
		Investment	400000
		Outstanding tuition fees	40000
		Cash in hand	10000
		Cash at Bank	30000
	<u>1098000</u>		<u>1098000</u>

Receipts and Payments account for the year ending on 31.03.2010

Receipts	Amount	Payments	Amount
To balance c/d		By salaries	600000
Cash in hand	10000	By furniture	104000
Cash at bank	30000	By rent	280000
To Tuition fees	800000	By Stationary	98000
To term fees	240000	By Sundry Expenses	54000
To Government Grant	209000	By Annual Gathering expenses	48000
To Donation	300000	By Repairs of Building	65000
To sale of old Newspapers	1000	By Insurance	40000
To Interest on Investment	20000	By Bal c/d: Cash in hand	89000
To sundry receipts	22000	Cash at bank	254000
	<u>1632000</u>		<u>1632000</u>

Adjustments :

1. Tuition fees still receivable `300000.
2. Salary still payable `300000
3. Insurance is paid for 1 year ending 30.9.2010.
4. Rent paid in advance `40000.
5. Government Grant is to be treated as capital receipt.
6. Depreciate furniture and Library @ 10% and computer laboratory @ 20%.
Depreciation to be charged on the closing balances of the assets.

Q. 6. Mr Prbhakar is a real trader. He has no proper method of accounting. But the following information is made available to you. (10)

Particulars	01.04.2009	31.3.2010
Sundry Debtors	45000	50000
Sundry creditors	60000	70000
Bank Overdraft	80000	40000
Stock	65000	80000
Cash in Hand	2000	8000
Bills Receivable	60000	80000
Furniture	10000	10000
Motor Van	80000	80000
Computer	60000	120000
10% Govt. Bonds	-	10000

Additional Information:

1. On 1st of October,2009, Mr. Prabhakar had withdrawn `40000 for his personal use.
2. 10% Govt. Bonds were purchased `10000 on 1st Oct,2009.
3. He had also withdrawn `30000 for his daughters marriage.
4. Depreciate furniture 10% and write off `2000 from motor van.
5. `2000 were written off as Bad Debts and provide 5% RDD on debtors.
6. Allow Interest on Capital at 10% p.a.
7. Charge Interest on drawings `2000

Prepare after taking into consideration the adjustments:

- 1) Opening Statement of Affairs of 1.04.2009
- 2) Closing statement of Affairs of 31.3.2010
- 3) Statement showing Profit /Loss for the year ended 31.3.2010

Q 7. From the following Trial Balance of Hemant and Preetam sharing profits and Losses equally. You are required to prepare Trading, Profit/Loss A/c for the year ended 31st March,2007 and Balance Sheet as on that date after considering the adjustments. (15)

Trial Balance as on 31st March, 2007

Particulars	Debit	Particulars	Credit
Stock(01/04/2009)	44000	Sales	320000
Purchases	170000	Sundry Creditors	40000
Returns Inwards	10000	Commission	4000
Carriage	4000	Bank Loan	32000
Motive Power	6000	Capital A/cs	
Wages	56000	Hemant	80000
Trade expenses	4000	Preetam	80000
Sundry Debtors	72000		
Salaries	38000		
Insurance	2400		
Postage	3600		
Commission	5000		
Plant & Machinery	60000		
Advertisement	8000		
Furniture	16000		
Office Rent(10 months)	10000		
Drawings: Hemant	14000		
Preetam	6000		
Buildings	24000		
Cash in Hand	3000		
	<u>556000</u>		<u>556000</u>

Adjustments:

1. Closing stock as on 31/03/2007 was valued at `72000.
2. Depreciate Plant and Machinery and Building @ 20% and 10 % respectively.
3. Prepaid Insurance `600
4. Goods withdrawn by Hemant amounting to `10000 during the year were not recorded in books.
5. Bad debts were `2000 and provide RDD @ 5% on debtors.
6. Credit purchases included in stock amounting to `6000 were not recorded in the books of accounts.
