

Class: 12th Commerce
Date: 07/01/2022

Preliminary Exam 2022

Sub: Book keeping and Accountancy

Time: 3 Hrs.
Marks: 80

Question 1)(A) Select the correct option and rewrite the sentence

- 1) The Indian partnership act is in force since ____ (5)
A) 1932
B) 1881
C) 1956
D) 1984
- 2) Donation for scholarship fund is ____
A) Capital receipt
B) Revenue receipt
C) Capital expenditure
D) Revenue expenditure
- 3) New ratio = old ratio + ____
A) Gain
B) Capital
C) Sacrifice
D) current
- 4) Death is compulsory ____
A) Dissolution
B) Admission
C) Retirement
D) Winding up
- 5) The balance of share forfeiture a / c is transferred to a/c
A) Reserve capital
B) Capital reserve
C) Profit and loss
D) Share capital

Question. B) Do you agree or disagree with the following statements (5)

- 1) Partnership is an association of two or more persons
- 2) Income and expenditure a/c represents either surplus or deficit
- 3) New partner always brings his share of goodwill in cash
- 4) For increase in the value of assets, Revaluation Account is debited
- 5) The firm must be dissolved on the retirement of a partner

Question - 1 C) find odd one (5)

- 1) Wages, salary, royalty, import duty
- 2) Subscription, stationary, interest -received, locker rent received
- 3) General reserve, creditors, machinery, capital,
- 4) Cash/bank a/c, capital a/c, current a/c, loan a/c
- 5) Paid up capital, issued capital, called up capital, over-subscription

Question - 1D) write one word/term/phrases which can substitute each of the following Statements (5)

- 1) Partnership agreement in written form
- 2) The receipts which are not recurring in nature
- 3) Capital employed \times NRR / 100 = Normal capital
- 4) Expenses incurred on dissolution of a firm
- 5) Issued of shares at its face value

Question 2) Sakshi and Suresh were partners sharing profits and losses in the ratio of 3/4 and 1/4 share respectively. The following balance sheet on 31st March 2018.

Balance Sheet as on 31st March, 2018

Liabilities	Amt (₹)	Amt (₹)	Assets	Amt (₹)	Amt (₹)
Capital			Stock		90,000
Sakshi	1,50,000		Fixtures		60,000
Suresh	1,62,000	3,12,000	Debtors	1,50,000	
			Less: R.D.D.	15,000	1,35,000
General Reserve		48,000	Bills		
Creditors		90,000	Receivables		90,000
			Cash in Hand		75,000
		4,50,000			4,50,000

The admit Pooja from 1/5th share on 1st April 2018 on the following terms

- 1) Pooja introduces RS. 1,20,000 as her capital
- 2) Pooja would pay cash for goodwill which would be based on 4 year's purchase of past profits of last 5 years.
- 3) Assets were revalued as under:
fixtue at RS. 45,000, Bills receivable Rs.1,20,000, stock at RS. 60,000, debtors at book value less a provision of 20%
- 4) Bill payable of RS. 15,000 have been omitted from books.

Profits for the last 5 years were as under:

- | | |
|----------------|---------------|
| I RS. 60,000 | IV RS. 30,000 |
| II RS. 45,000 | V RS. 45,000 |
| III RS. 75,000 | |

Prepare revaluation account partner's capital amount and balance sheet after Pooja admission
OR

Question 2) Rohan Rohit and Sachin are partners in a firm sharing profits and losses in the proportion 3:1:1 respectively. Their balance sheet as on 31st March 2018 is as shown below

Balance Sheet as on 31st March, 2018

Liabilities	Amt (₹)	Assets	Amt (₹)
Creditors	40,000	Bank	12,500
General Reserve	50,000	Debtors	60,000
Bills payable	25,000	Live stock	50,000
Capital Accounts:		Building	75,000
Rohan	1,25,000	Plant & Machinery	35,000
Rohit	1,00,000	Motor Truck	1,00,000
Sachin	50,000	Goodwill	57,500
	3,90,000		3,90,000

On 1st April 2018 Sachin retired and the following adjustments have been agreed upon

- 1) Goodwill was revalued at Rs. 50,000
- 2) Assets and liabilities were revalued as follow:
Debtors RS. 50,000, live stocks Rs. 45,000; Building Rs. 1,25,000; Plant & machinery Rs. 30,000; Motor Truck Rs. 95,000 and Creditors Rs. 30,000
- 3) Rohan and Rohit contributed additional capital through net banking of RS.50,000 & RS. 25,000 respectively.
- 4) Balance of Sachin's capital account is transferred to his Loan account.

Give journal entries in the books of new firm

Question - 3) Ganesh and Kartik were partners. Sharing profits and losses in the ratio of 3:2 the balance sheet as on 31st March 2019 was as follows

Balance Sheet as on 31st March, 2019

Liabilities	Amt (₹)	Assets	Amt (₹)
Capital Account:		Building	
Ganesh	10,000	Plant	7,000
Kartik	6,000	Debtors	9,000
Current Account:		Stock	14,000
Ganesh	3,000	Bank	5,000
Kartik	2,000		6,000
Creditors	17,400		
Bills Payable	2,600		
	41,000		41,000

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

- 1) Plant and machinery Rs. 8,000, building Rs. 6000 stock Rs. 4,000 and debtors Rs. 12,000
- 2) Ganesh agreed to pay of the bills payable
- 3) Creditors were paid in full
- 4) Dissolution expenses were Rs. 1,400

Prepare realization A/C, partners' capital and current A/C and Bank A/C

OR

Question 3) journalize the following transaction of Arvind as on 24th October 2019.

(10)

- A) Renewed Sainath acceptance of Rs. 18,000 with interest of Rs. 380 for 2 months
- B) Sahil informs Arvind that Meenal's acceptance of Rs. 13,000 endorsed to Sahil was dishonoured noting charges paid Rs. 195
- C) Accepted a bill of Rs. 16,400 at 2 months drawn on Chand and sons for the amount due to them Rs. 19,000 & balance paid in cash.
- D) Bank informed that Vidya's acceptance of Rs. 14,000 which was discounted was dishonoured & bank paid nothing charges Rs. 105. Renewed bill on Vidya's request for 2 months with interest Rs. 295
- E) Nandita retired her acceptance to Arvind of Rs. 13,550 by paying cash Rs. 13,000

Question 4) Subhash company limited issues 2000 Equity shares of Rs. 100 each payable as Rs. 30 on application, Rs. 30 on allotment, Rs. 40 on first & final call

(8)

All the shares were subscribed and duly allotted. company made all the calls. All cash was duly received except the first & final call on 100 equity shares. These shares were forfeited by company & were re-issued as fully paid for Rs. 75 per share

Show the journal entries in the book of Subhash Company limited

OR

Question 4) State the importance of computerized accounting system

(8)

(Handwritten notes in margin)
 Subhash Company Ltd.
 2000 Equity shares of Rs. 100 each
 Rs. 30 on application
 Rs. 30 on allotment
 Rs. 40 on first & final call
 All cash was duly received
 except the first & final call on 100 equity shares
 These shares were forfeited by company & were re-issued as fully paid for Rs. 75 per share

Question - 5) Ajay, Sanjay and Vijay were partners, sharing profits and losses in the proportion to their capital. Their balance sheet as on 31st March 2019 was as follows (8)

Balance Sheet as on 31st March, 2019

Liabilities	Amt (₹)	Amt (₹)	Assets	Amt (₹)	Amt (₹)
Capital Accounts			Land & Building		80,000
Ajay	60,000		Motor Lorry		40,000
Sanjay	40,000		Furniture		36,000
Vijay	20,000	1,20,000	Debtors	32,000	
			Less: R.D.D.	4,000	28,000
Creditors		50,000	Bank		28,000
Outstanding Salary		6,000			
Reserve Fund		36,000			
		2,12,000			2,12,000

Vijay died on 1st August 2019 and the following adjustment were made

1) Assets to be revalued as under:

Land and building Rs. 88000, motor lorry Rs.36000 and furniture Rs. 34000

2) All debtors were good

3) Goodwill of the firm valued at two times the average profit of the last 4-year profit

4) Vijay shares of profit to be one calculated on the basis of average profit of last 3 years.

5) Profit for 4 years were:

1st year Rs. 12000

2nd year Rs.24000

3rd year Rs.14000

4th year Rs. 22000

$$\begin{array}{r}
 264000 \\
 - 80000 \\
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 184000
 \end{array}$$

Prepare -

1) Revaluation A/C

2) Vijay capital A/C

3) Give working of Vijay share in goodwill

4) Give working of Vijay share in profit up to the date of his death

OR

Question-5) from the following information prepares comparative income statement of Shri Ravi Ltd. (8)

Particulars	2018 (₹)	2019 (₹)
Sales	6,00,000	4,50,000
Sales Return	1,00,000	50,000
Gross profit Ratio	40%	50%
Office & Admin Expenses	50,000	40,000
Selling & distribution expenses	50,000	40,000
Other income	25,000	15,000
Other Expenses	5,000	5,000
Tax rate	50%	50%

Question- 6) Sarasvati library, Pune showed the following position of their accounting, consider the adjustments given and prepared income and expenditure account for the year ending 31st March 2021 and balance sheet as on that date (12)

Balance Sheet as on 31st March, 2020

Liabilities	Amt (₹)	Assets	Amt (₹)
Capital Fund	3,45,000	Furniture	36,250
Expenses Due	3,500	Books	2,75,500
		Investment in securities	25,000
		Cash in Hand	4,250
		Cash at Bank	7,500
	3,48,500		3,48,500

Receipt & payment account
Dr for the year ended 31st march, 2021 Cr

Receipts	Amt (₹)	Payments	Amt (₹)
To Balance b/d		By Electricity charges	3,490
Cash in Hand	4,250	By postage	3,050
Cash at Bank	7,500	By Books Purchased	40,000
To membership subscription	90,000	By payment for expenses due	3,500
To Entrance fees	12,500	By Sundry expenses	5,250
To sale of scrap	750	By Investment in securities	50,000
To Hire of lecture Hall	9,000	By Furniture	14,000
To Interest on securities	2,000	By Balance c/d	
		Cash in Hand	3,210
		Cash at Bank	3,500
	1,26,000		1,26,000

Adjustments -

- 1) During the current year furniture was purchased on 1st October 2020 depreciation on furniture @ 10% p.a.
- 2) Depreciation books by Rs. 50,000
- 3) Membership subscription received during the year includes Rs. 7500 for the year 2021-22 and Rs.3750 are outstanding for the current year.
- 4) 50% entrance fees are to be capitalized

Question 7) Virat and Rohit are in a partnership sharing profit and losses in the ratio of 2:1 from the following trial balance an adjustment given below you are required to prepare trading and profit and loss A/C for the year ended 31st March 2021 and balance sheet as on that date

(12)

Trial Balance as on 31st march, 2021

Debit Balance	Amt (₹)	Credit balance	Amt (₹)
Prepaid Insurance	3,200	R.D.D	4,000
Insurance	8,000	Creditors	2,72,000
Discount	3,200	Sales	12,06,400
Postage & Telephone	12,800	Return outward	36,800
Debtors	2,64,000	Bank overdraft	4,83,200
Salary	2,24,000	Partners capital a/c	
Wages	96,000	Virat	2,08,000
Opening stock	1,92,000	Rohit	1,92,000
Carriage	4,000		
Purchases	7,72,000		
Return Inwards	22,400		
Plant & machinery ✓	96,000		
Land & Building ✓	7,04,000		
	24,02,400		24,02,400

Adjustments -

- 1) Closing stock on 31st March 2021 was valued at cost of Rs. 2,24,000 while its market price was Rs.2,40,000
- 2) write off RS. 8000 for bad debts and provide R.D.D. @5% on debtors.
- 3) Good worth Rs. 16000 where distributed free samples
- 4) Salaries where outstanding Rs. 8000
- 5) Depreciate land and building@5% p.a. and plant and machinery @10% p.a.