

Date:- 3rd May 2019
S.Y.J.C. / Accounts

Test No:-3
Topic:- Bills of Exchange & Single Entry

Marks:- 40
Time:-1 hr 30 min

Q.1. Select the most appropriate alternative from those given below and rewrite the statement. (4)

- Under the statement-of-affairs method any additions to capital during the accounting period must be
 - added to profit
 - subtracted from profit
 - added to capital
 - Deducted from capital
- is a statement which shows estimated values of assets and liabilities as on a particular date.
 - Statement of profit
 - Statement of affairs
 - Balance Sheet
 - Income Statement
- Excess of opening capital over closing capital indicates
 - Profit
 - Loss
 - Surplus
 - No profit no loss
- Under single entry system, is prepared to find out capital.
 - Statement of affairs
 - Statement of profit
 - Balance Sheet
 - Income statement

Q. 2. Mr. Satish keeps his books on single entry system & disclosed the following information of his business: (8)

Particulars	1 st April,12 (₹)	31 st March, 13 (₹)
Investments	-	30,000
Bills payable	-	18,000
Creditors	52,500	69,000
Furniture	15,000	45,000
Debtors	60,000	90,000
Stock in trade	30,000	37,500
Cash in bank	36,000	54,000

Additional information:-

- Mr. Satish transferred ₹ 3,000 per month during the first half year & ₹ 2,000 per month for the second half year from business account to his personal account.
- He also took goods worth ₹ 7,000 for private use.
- He sold his private asset for ₹ 27,000 & brought the proceeds into his business.
- Furniture to be depreciated by 10%. Furniture includes addition to furniture on 1st Oct,2012.
- Provide reserve for doubtful debts at 5% on debtors.

**Prepare: (a) Opening statement of affairs. (b) Closing statement of affairs.
(c) Statement of profit & loss for the year ended 31st March, 2013.**

Q.3. Mrs. Namita keeps her books on Single Entry System & gives the following information:

(8)

Particulars	31st March, 2011 (₹)	31st March, 2012 (₹)
Cash at Bank	10,000	64,000
Sundry Debtors	50,000	80,000
Stock in Trade	60,000	1,00,000
Furniture	40,000	40,000
Machinery	1,00,000	1,00,000
Bills Payable	10,000	10,000
Sundry Creditors	30,000	40,000

Mrs. Namita withdrew from business ₹ 30,000 for personal use. She further introduced fresh capital of ₹ 50,000.

Depreciation is to be charged @ 10% p.a. on furniture & machinery.

Prepare:

a. Statement of affairs as on 31st March, 2011.

b. Statement of affairs as on 31st March, 2012.

Statement of Profit or Loss for the year ending 31st March,, 2012.

Q. 4 Journalise the following transactions in the books of Kedarnath:

(10)

1. Badrinath informs Kedarnath that Aloknath's acceptance endorsed to him for Rs. 10,000 was dishonoured & noting charges amounted to ₹500.
2. Somnath renews his acceptance of ₹ 14,400 to Kedarnath by paying cash ₹4,400 & accepting a new bill for 2 months for the balance plus interest @ 12%p.a
3. Vishwanath retired his acceptance for ₹ 10,500 to Kedarnath by paying in cash ₹10,250.
4. Recovered only 50% of the amount due from the private estate of Ramnath, who declared as insolvent, against his bill of ₹ 12,500.

Q. 5 Snehal owes Akshay ₹ 25,000. Akshay draws a bill for ₹ 21,000 on Snehal for 3 months period and received the cheque for the balance. The bill is duly accepted and returned to Akshay. On the same date Akshay endorsed Snehal's acceptance to Amod.

On the due date Amod informed Akshay that Snehal dishonoured her acceptance and paid ₹ 175 as noting charges. Akshay then drew new bill for 1 months on Snehal including noting charges and interest ₹ 600. On the due date Snehal honoured the bill by cheque.

Write Journal entries in the books of Akshay and prepare Akshay's account in the books of Snehal.

(10)



Date:-3rd May 2019

Test No:-3

Marks:- 40

S.Y.J.C. / Accounts

Topic:- Bills of Exchange & Single Entry

(Solution)

Q.1. Select the most appropriate alternative from those given below and rewrite the statement (4)

- Under the statement-of-affairs method any additions to capital during the accounting period must be **Deducted from capital**
- Statement of Affairs** is a statement which shows estimated values of assets and liabilities as on a particular date.
- Excess of opening capital over closing capital indicates **loss**
- Under single entry system **Statement of affairs** is prepared to find out capital.

Q.2. In the books of Mr. Satish (8)

Statement of Affairs

Particulars	31 st March,12	31 st March,12	Particulars	31 st March,12	31 st March,12
Bills payable		1,80,000	Investments		30,000
Creditors	52,500	69,000	Furniture	15,000	45,000
Capital	88,500	1,69,500	Debtors	60,000	90,000
			Stock in trade	30,000	37,500
			Cash in bank	36,000	54,000
	1,41,000	2,56,500		1,41,000	2,56,500

Statement of Profit and Loss for the year ended March 2013

Particulars	₹	₹
Closing Capital		1,69,500
Add :- Drawings (Cash)	30,000	
(kind)	7,000	37,000
		2,06,500
(-) Additional Capital introduced		27,000
Adjusted Closing Capital		1,79,500
(-) Opening Capital		88,500
Profit Before Adjustments		91,000
Less :- 1. Depreciation on Furniture @10%	3,000	
2.RDD	4,500	7,500
Profit for year end		83,500

Q.3. In the books of Namita (8)

Statement of Affairs

Particulars	31 st March,12	31 st March,12	Particulars	31 st March,12	31 st March,12
Bills payable	10,000	10,000	Cash	10,000	64,000
Creditor	30,000	40,000	Sundry Debtor	50,000	1,00,000
Capital	22,000	3,34,000	Stock in trade	60,000	1,00,000
			Furniture	40,000	40,000
			Machinery	1,00,000	1,00,000
	2,60,000	3,84,000		2,60,000	3,84,000

Statement of Profit & Loss for the year ended March 2012

Particulars	₹	₹
Closing Capital		3,34,000
Add :- Drawings		30,000
		3,64,000
(-) Additional Capital introduced		50,000
Adjusted Closing Capital		3,14,000
(-) Opening Capital		2,20,000
Profit Before Adjustments		94,000
Less :- 1. Depreciation on Furniture @10%	4,000	
2. Depreciation on Machinery @10%	10,000	14,000
Profit for year end		80,000

Q.4.

In the books of Kedarnath

(10)

Journal of Kedarnath

Date	Particulars	L.F.	Debit ₹	Credit ₹
2010	Alokhath A/c	Dr.	10,500	
1.	To Badrinath A/c			10,500
	(Being _____)			
2. a)	Somnath A/c	Dr.	14,400	
	To Bills Receivable A/c			14,400
	(Being _____)			
b)	Somnath A/c	Dr.	200	
	To Interest A/c			200
	(Being _____)			
c)	Cash/ Bank A/c	Dr.	4,400	
	To Somnath A/c			4,400
	(Being _____)			
d)	Bills Receivable A/c	Dr.	10,200	
	To Somnath A/c			10,200
	(Being _____)			
3.	Cash A/c	Dr.	10,250	
	Discount allowed A/c	Dr.	250	
	To Bills Receivable A/c			10,500
	(Being _____)			
4. a)	Ramnath A/c	Dr.	12,500	
	To Bills receivable			12,500
	(Being _____)			
b)	Cash/ Bank A/c	Dr.	6,250	
	Bad debts A/c	Dr.	6,250	
	To Ramnath A/c			12,500
	(Being _____)			

Q. 5

Journal entries in the books of Akshay

Date	Particulars	L.F.	Debit ₹	Credit ₹
1	Bills Receivable A/c..... Dr. Bank A/c..... Dr. To Snehal's A/c (Being)		21,000 4,000	25,000
2	Amod's A/c..... Dr. To Bills Receivable A/c (Being)		21,000	21,000
3	Snehal's A/c..... Dr. To Amod's A/c (Being)		21,175	21,175
4	Bills Receivable A/c..... Dr. To Snehal's A/c To Interest A/c (Being)		21,775	21,175 600
5	Cash A/c..... Dr. To Bills Receivable A/c (Being)		21,775	21,775
	Total Rs.		1,10,725	1,10,725

In the books of Snehal

Dr.		Akshay's Account		Cr.			
Date	Particulars	JF	Rs.	Date	Particulars	JF	Rs.
	To Bills Payable A/c		21,000		By Balance b/d		25,000
	To Bank A/c		4,000		By Bills Payable A/c		21,000
	To Bills Payable A/c		21,175		By Noting Charges A/c		175
			46,175				46,175
