



SHAH
EDUCATIONAL ACADEMY
Bandra West | Vile Parle West

H. O. : Shop No. 5, Hill Crest Society, 16th Road, Bandra (W),
Mum: 50. Ph: 26051635

Branch : Avon Arcade, Shop No. A/121, 1st Fl., Vile Parle (W),
Mumbai: 56. Ph: 9820418533

S.Y.J.C./ V.C.R.(B)
05/10/2019

Accounts Test No:- 8 Marks:- 50 Time: 1 ½ Hrs.
Topic:-Admission; BOE, Single Entry & NPO

Q.1.(a) Select the most appropriate alternative from those given below and rewrite the statement. (5)

1. Account is debited when unrecorded liability is brought into business.

(a) Liability (b) revaluation (c) capital (d) current

2. The proportion in which old partners make a sacrifice is called _____ ratio.

(a) Capital (b) gaining (c) sacrifice (d) new

3. Subscription received by the school for organizing annual function is treated as

(a) income (b) liability (c) asset (d) earned income

4. Non trading organisation records summary of all cash transactions in the account.

(a) Trading (b) Profit & Loss
(c) Receipts and Payments (d) Income and Expenditure

5. Capitalised receipts as well as capital expenditure are shown in the

(a) profit & loss A/c (b) Balance Sheet
(c) Trading A/c (d) Income & Expenditure A/c

Q.1.(b) Preparation a Bill of Exchange from the following information: (5)

- | | | |
|-----------------------|---|---------------------------------|
| 1. Drawer | : | Ramlal Gupta, Washim |
| 2. Drawee | : | Jivanlal Chandak, Jalna |
| 3. Payee | : | Premchanad Nanoti, Porbandar. |
| 4. Amount | : | ₹ 10,000/- |
| 5. Period | : | 3 months |
| 6. Date of Bill | : | 15 th January,2017 |
| 7. Date of Acceptance | : | 25 th January ,2017. |

P.T.O.

Q.2. Mr. Yogesh keeps his books on Single Entry System. From the following particulars, prepare Opening & Closing Statement of Affairs & Statement of Profit & Loss. **(8)**

Particulars	Amount (₹) on 1/4/2013	Amount (₹) on 31/3/2014
Bank balance	36,000	27,000
Cash balance	7,500	9,000
Sundry debtors	90,000	1,20,000
Stock	60,000	90,000
Furniture	9,000	9,000
Machinery	60,000	90,000
Sundry creditors	36,000	60,000
Bills payable	16,500	27,000

Additional information:-

1. Mr. Yogesh has withdrawn ₹ 22,500 from the business for his personal use.
2. He has introduced additional capital of ₹ 7,500 in the business on 1st January, 2014.
3. Additions to machinery were made on 1st January, 2014.
4. Depreciate furniture and machinery @ 10% p.a.
5. Maintain reserve for doubtful debts @ 2% on sundry debtors. & Closing stock is overvalued by 20% in the books of end of the year.

Q.3. Journalize following transactions in books of Nimesh **(10)**

1. Nimesh informs Mahesh that Rajesh's acceptance for ₹ 12,000 endorsed to Nimesh has been dishonoured. Noting charges amounted to ₹ 250.
2. Rakesh renews his acceptance to Nimesh for ₹ 5,000 by paying ₹ 2,000 in cash and accepting a fresh bill for the balance plus interest at 12% p.a. for 3 months.
3. Kiran retired his acceptance to Nimesh for ₹ 2,000 by Paying ₹ 1,900 in cash.
4. Nimesh sent a bill of Satish for ₹ 10,000 to bank for collection, But bank information that bill has been dishonoured by Satish

Q.4. Namita and Rupali share profits and losses in the ratio of 3:2 in partnership firm. Their balance sheet as on 31st March, 2011 was as follows: **(10)**

Balance sheet as on 31st March, 2011

Liabilities	Amt. (₹)	Amt. (₹)	Assets	Amt. (₹)	Amt. (₹)
Creditors		25,000	Cash in hand		5,000
Bills Payable		20,000	Bills Receivable		7,600
Bank loan		32,000	Debtors	41,600	
General Reserve		5,000	Less : R.D.D.	<u>1,600</u>	40,000
Capital A/c's			Stock		24,000
Namita	30,000		Furniture		9,400
Rupali	<u>24,000</u>	54,000	Machinery		20,000
			Building		30,000
Total		1,36,000	Total		1,36,000

P.T.O.

On 1st April, 2011, they admitted Girish on the following terms:

1. For 1/5th share in future profits, Girish should bring ₹ 20,000 for his capital and ₹ 10,000 for goodwill in cash.
2. Half of the amount of goodwill be withdrawn by old partners.
3. The stock is to be depreciated by 10% and Machinery by 5%.
4. R.D.D. be maintained at ₹ 2,000.
5. Furniture should be appreciated upto ₹ 10,700 and building be appreciated by 20%.

Pass the necessary journal entries and open Revaluation A/c and Cash A/c in the books of the firm.

- Q.5.** With the help of the Balance Sheet and Receipts and Payments Account of Adarsh Cultural Club, Mumbai, prepare Income and Expenditure Account for the year ended 31st March, 2013 and the Balance Sheet as on the date: **(12)**

Balance Sheet as on 31st March, 2012

Liabilities	Amt. (₹)	Assets	Amt. (₹)
Capital fund	2,57,000	Buildings	2,50,000
Building fund	50,000	Furniture	20,000
Outstanding Salary	1,300	Outstanding Subscription	1,000
		Cash in hand	2,400
		Cash at Bank	34,900
	3,08,300		3,08,300

Dr. Receipts and Payments Account for the year ending 31st March, 2013 Cr.

Receipts	Amt. (₹)	Payment	Amt. (₹)
To Balance b/d		By Salaries	35,300
Cash in hand	2,400	By Furniture (Purchased on 01.10.2012)	10,000
Cash at bank	34,900	By General expenses	8,400
To Subscriptions		By Printing and Stationery	4,200
2011- 12 1,000		By Drama expenses	16,000
2012 – 13 48,000		By Balance c/d	
2013-14 2,000	51,000	Cash in hand	4,600
To Donations for building fund	20,000	Cash in bank	57,800
To Drama receipts	28,000		
	1,36,300		1,36,300

You are also required to consider the additional information given below:

1. The club had 100 members, each paying ₹ 500 as annual Subscription.
2. Furniture to be depreciated at 20% p.a.
3. Salaries include ₹ 1,300 paid for outstanding salaries for the year 2011 – 12. Salaries outstanding for the year 2012 – 13 were ₹ 700.



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Accounts Test No:- 8 **Marks:- 50** **Time: 1 ½ Hrs.**
Topic:-Admission; BOE, Single Entry & NPO **(Solution)**

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

- Account is debited when unrecorded liability is brought into business.
(a) Liability (b) **revaluation** (c) capital (d) current
- The proportion in which old partners make a sacrifice is called _____ ratio.
(a) Capital (b) gaining (c) **sacrifice** (d) new
- Subscription received by the school for organizing annual function is treated as
(a) income (b) **liability** (c) asset (d) earned income
- Non trading organisation records summary of all cash transactions in the account.
(a) Trading (b) Profit & Loss
(c) **Receipts and Payments** (d) Income and Expenditure
- Capitalised receipts as well as capital expenditure are shown in the
(a) profit & loss A/c (b) **Balance Sheet**
(c) Trading A/c (d) Income & Expenditure A/c

B] Preparation a Bill of Exchange from the following information:

(5)

STAMP

₹ 10,000 /-

Ramlal Gupta,
Washim.

Date:- 15th January, 17.

Three months after the date pay to Premchand Nanoti, Probandar or his order the sum of rupees Ten thousand only for the value received.

To,

Jivanlal Chandak,
Jalna,

ACCEPTED

S/d

Jivanlal Chandak

Date: 25th January, 2017

Sd/-

Ramlal Gupta

P.T.O.

Q. 2.

In the books of Mr. Yogesh.
Opening Statement of affairs as on 1st April , 2013

Liabilities	₹	Assets	₹
Sundry Creditors	36,000	Bank Balance	36,000
Bills payable	16,500	Cash Balance	7,500
Capital	2,10,000	Sundry Debtors	90,000
		Stock	60,000
		Furniture	9,000
		Machinery	60,000
Total	2,62,500	Total	2,62,500

Closing statement of affairs as on 31st March 2014

Liabilities	₹	Assets	₹
Capital	2,58,000	Bank	27,000
Sundry Creditors	60,000	Cash	9,000
Bills Payable	27,000	Sundry Debtors	1,20,000
		Stock	90,000
		Furniture	9,000
		Machinery	90,000
Total	3,45,000	Total	3,45,000

Statement of Net Profit / Loss as on 31st March 2014

Particulars	₹	₹
Closing Capital		2,58,000
Add: 1) Drawings		22,500
		2,80,500
Less:- 1) Additional Capital Introduced		7,500
2) Adjusted closing capital		2,73,000
Less Opening Capital		2,10,000
Net Profit before adjustment		63,000
Less:- 1) Depreciation on Machinery	6,750	
2) Depreciation on Furniture	900	
3) R.D.D.	2,400	
4) Stock Over Value	15,000	25,050
Profit for Year		37,950

Working Note 1:- For Depreciation on Machinery

Total machinery	90,000	
↓		
Old	New	
60,000	30,000	
60,000 for 12 months @ 10% = 6,000	[$\frac{30000 \times 3 \times 10}{100 \times 12}$] = 750	
30,000 for 3 months @ 10% = <u>750</u>		
Total Depreciation = <u>6,750</u>		

P.T.O.

Working Note 2:- To find out original value of stock

Let original Value = 100
 Add 20% over value = 20
 Present Value = 120
 When Present Value 120 original Value 100
 When Present Value 90,000 ?
 $\frac{90,000 \times 100}{120} = 75,000$

Q.3. In the books of Nimesh

Date	Particulars	L.F.	Debit ₹	Credit ₹
(Sr. No) 1.	Mahesh A/c Dr. To Bills Receivable A/c To Cash A/c (Being.....)		12,250	12,000 250
2. (a)	Rakesh A/c Dr. To Bill Receivable A/c (Being.....)		5,000	5,000
(b)	Rakesh A/c Dr. To Interest A/c (Being.....)		90	90
(c)	Cash A/c Dr. To Rakesh A/c (Being.....)		2,000	2,000
(d)	Bills Receivable A/c Dr. To Rakesh A/c (Being.....)		3,090	3,090
3.	Cash A/c Dr. Discount Allowed A/c Dr. To Bills Receivable A/c (Being.....)		1,900 100	2,000
4 (a)	Bank for collection A/c Dr. To, Bills Receivable A/c (Being.....)		10,000	10,000
(b)	Satish A/c Dr. To Bank for collection A/c (Being.....)		10,000	10,000

P.T.O.

Q.4.

In the books of Namita, Rupali & Girish

Dr.			Revaluation A/c			Cr.		
Particulars	₹	₹	Particulars	₹	₹			
To RDD (new)	2,000		By Furniture A/c		1,300			
(-) old	1,600	400	By Building A/c		6,000			
To, Stock A/c		2,400						
To, Machinery A/c		1,000						
To Profit transferred								
Namita (3/5)	2,100							
Rupali (2/5)	1,400	3,500						
		7,300			7,300			

Dr.				Partners Capital A/c				Cr.			
Particulars	Namita	Rupali	Girish	Particulars	Namita	Rupali	Girish				
To Cash/ Bank A/c	3,000	2,000	-----	By balance b/d	30,000	24,000	----				
				By General Reserve	3,000	2,000	----				
				By Cash/ Bank A/c	-----	-----	20,000				
				By Goodwill A/c	6,000	4,000	----				
				By Revaluation	2,100	1,400	----				
To, Balance c/d	38,100	29,400	20,000								
	41,100	31,400	20,000		41,100	31,400	20,000				

Dr.		Cash/Bank A/c		Cr.	
Particulars	₹	Particulars	₹		
To, Balance b/d	5,000	By Namita's capital A/c	3,000		
To Girish's Capital A/c	20,000	By Rupali's Capital A/c	2,000		
To Goodwill A/c	10,000	By Balance C/d	30,000		
	35,000		35,000		

Dr.		Goodwill A/c		Cr.	
Particulars	₹	Particulars	₹		
To Namita's Capital A/c	6,000	By Cash / Bank A/c	10,000		
To Rupali's Capital A/c	4,000				
	10,000		10,000		

New Balance Sheet as on(After Admission)

Liabilities	₹	₹	Assets	₹	₹
Partner's capital			Bills Receivable A/c		7,600
Namita	38,100		Debtors	41,600	
Rupali	29,400		Less:- RDD	2,000	39,600
Girish	20,000	87,500	Stock A/c	24,000	
Creditors A/c		25,000	Less:- Written off	2,400	21,600
Bills payable A/c		20,000	Furniture A/c	9,400	
Bank Loan A/c		32,000	Add:- Appreciation	1,300	10,700
			Machinery A/c	20,000	
			Less:- Depreciation	1,000	19,000
			Building A/c	30,000	
			Add:- Appreciation	6,000	36,000
			Cash / Bank A/c		30,000
		1,64,500			1,64,500

Working Notes:-

W.N. 1.	Namita	Rupali	Girish
Old Ratio	3/5	2/5	
New Ratio	12/25	8/25	1/5 = 5/25
Sacrifice Ratio	3	:	2

Journal of Namita, Rupali & Girish

Date	Particulars		L.F.	Debit ₹	Credit ₹
	General Reserve A/c To Namita's Capital A/c To Rupali's Capital A/c (Being.....)	Dr.		5,000	3,000 2,000
	Cash A/c To Girish's Capital A/c (Being.....)	Dr.		20,000	20,000
	Cash A/c To Goodwill A/c (Being.....)	Dr.		10,000	10,000
	Goodwill A/c To Namita's Capital A/c To Rupali's Capital A/c (Being.....)	Dr.		10,000	6,000 4,000
	Namita's Capital A/c Rupali's Capital A/c To Cash/ Bank A/c (Being.....)	Dr. Dr.		3,000 2,000	5,000
	Revaluation A/c To Stock A/c To Machinery A/c To R.D.D. A/c (Being.....)	Dr.		3,800	2,400 1,000 400
	Furniture A/c Building A/c To Revaluation A/c (Being.....)	Dr. Dr.		1,300 6,000	7,300
	Revaluation A/c To Namita's Capital A/c To Rupali's Capital A/c (Being.....)	Dr.		3,500	2,100 1,400

P.T.O.

Q.5.

**In the book of Adarsh Cultural Club
Income & Expenditure Account as on 31st March, 2013**

Expenditure	₹	₹	Income	₹	₹
To Salaries	35,300		By Subscription	51,000	
(+) Outstanding of C.Y.	700		(+) Receivable of C.Y.	2,000	
(-) Prepaid of C.Y.	----		(-) Advance of C.Y.	2,000	
(-) Outstanding of L.Y.	1,300		(-) Receivable of L.Y.	1,000	
(+) Prepaid of L.Y.	----		(+) Advance of L.Y.	---	
(+) Still Outstanding of L.Y.	----	34,700	(+) Still Receivable of L.Y.	---	50,000
To General Expenses		8,400	By Drama receipts		28,000
To Printing & Stationery		4,200			
To Drama expense		16,000			
To Depreciation on Furniture		5,000			
To Surplus		9,700			
Total		78,000	Total		78,000

Balance Sheet as on 31st March, 2013

Liabilities	₹	₹	Assets	₹	₹
Capital Fund	2,57,000		Buildings		2,50,000
(+) Surplus	9,800	2,66,700	Furniture	20,000	
Building Fund		50,000	(+) Purchases	10,000	
Donations for building fund		20,000	(-) Depreciation	5,000	25,000
Subscription Received in Advance		2,000	Cash in hand		4,600
Salaries Outstanding		700	Cash at Bank		57,800
			Subscription Receivable of C.Y.		2,000
Total		3,39,400	Total		3,39,400

Working Note:- To find out depreciation on furniture

Total furniture = 30,000


