見、新 Q. No.

4

Note: This is a compulsory practical problem. This question can be related to either renewal of Bills of Exchange or Transaction related to 1 drawer and multiple drawees. You are expected to prepare Journal entries and sometimes Ledger Accounts either in the books of drawer or in the books of drawee. Working notes are required to support your answer. In journal entries narration is required to be given. 1/2 mark is allotted for each narration.

Journal of RAJA

15,090	Date	Particulars	L.F. No.	Debit ₹	Credit ₹
geq #L	3\A 1 md b	Cash/Bank A/c	and of Dr. Hill	10,000	
	debla estara	Pradhan's A/c	Dr. •	30,000	
00000		To Sales A/c			40,000
		(Being the goods sold and	part payment		
		received)	Entrol p	Werde	
llid to from	(A) 2 408	Bills Receivable A/c	beswe br. Pring	30,000	
		To Pradhan's A/c	real		30,000
		(Being the acceptance re	ceived from	ale	
ba	severan Incom	Pradhan)	debts incorred	oft (3)	
	3	Bills sent for Collection A/c	000 EL Dr. 0.00	30,000	
		To Bills Receivable A/c			30,000
L. Land		(Being the bill sent to the bank	for collection)		
	4	Pradhan's A/c	Dr.	30,000	
1.0	(1-1	To Bills sent for Collection A	/c	3 (2)	30,000
1 25	Salestin fall	(Being the bill dishonour for n	on payment)		
	5	Cash/Bank A/c	Dr.	15,000	
		Bad debts A/c	Dr.	15,000	
		To Pradhan's A/c			30,000
		(Being 50% of the amount	due recovered		
		from Pradhan)			
			Total:	1,60,000	1,60,000

In the Ledger of RAJA

Dr.	Contraction of the last	Pradhan's	s Acco	ount	Cr.	
Date	Particulars	Amount	Date	Particulars	Amount	
			₹			
1,	To Sales A/c	30,000	2.	By Bills Receivable A/c	30,000	
	(Credit Sale)	Tana?		(Acceptance received)		
4.	To Bills Sent for		5.	By Cash/Bank A/c	15,000	
	Collection A/c	30,000		(Amount recovered)		
DIGE	(Bill sent to the bank)	l y	J. Inches	By Bad Debts A/c	15,000	
næ :	20 D		AER	(Bad debts incurred)		
		60,000	Am	S-eT	60,000	

Working Notes:

(1) Amount recovered by Raja from Pradhan = 50% of (Amount of bill

dishonoured) =
$$\frac{50}{100} \times 30,000 = ₹ 15,000.$$

(2) Bad debts incurred by Raja = Amount due - Amount recovered = 30,000 - 15,000 = ₹ 15,000. Note: In this question there will be 2 problems carrying 10 marks each, out of which students are expected to attempt any one. The first problem will be on Dissolution of Partnership Firm and the Second problem will be on Accounting of shares or debentures.

Note: This question is on Dissolution of Partnership Firm where, students are expected to prepare Journal entries or Ledger Accounts such as Realisation Account, Partners' Capital Accounts and Cash Account or Bank Account. In case of insolvency of all partners, additional Accounts called Deficiency Account is also required to be prepared. In such case external liabilities such as Sundry Creditors, Bank Loan, Bills Payable, etc. are not transferred to Realisation Account. They are dealt with separately.

In the books of PARTNERSHIP FIRM

THE BOOK AND SECOND STATES

Dr.	Re	ealisatio	n Account		Cr.	
Particulars		Amount	Particulars	1000	Amount	
3111	₹	₹		₹	₹	
To Sundry Assets:		opak.	By Sundry Liabilities		39,700	
Plant and Machinery A/c	40,000	5 1	(Sundry Creditors)			
Furniture A/c	12,000	.01 11	By R. D. D. A/c	17.	1,000	
Sundry Debtors A/c	61,000	pa -	By Bank A/c:			
Stock A/c	28,300	1,41,300	Plant and Machinery	30,000		
To Bank A/c		38,000	Sundry Debtors	58,000	88,000	
(Sundry creditors)			By Akbar's capital A/c		10,000	
To Bank A/c		2,000	(Furniture)			
(Realisation expenses)	-8		By Birbal's capital A/c		27,000	
Please Settlements			(Stock)			
	hm	tri	By Partners' Capital A/cs:			
			Akbar	9,360		
			Birbal	6,240	15,600	
	370	1,81,300		m l	1,81,300	

Partners' Capital Accounts

Cr.

14,760

1,07,400

	Particulars	Akbar ₹	Birbal ₹	Particulars	Akbar ₹	Birbal ₹	
	To Realisation A/c	10,000	27,000	By Balance b/d	60,000	40,000	
	(Assets taken			By General			
	over)	Traine Cort		Reserve A/c	12,000	8,000	
	To Realisation A/c	9,360	6,240	(Transfer)			
	(Loss)		4.00	0.71-51.00-00			
	To Bank A/c	52,640	14,760				
	(Final settlement)	SATRA	to Extend	art na			
	Jm.	72,000	48,000		72,000	48,000	
J		- 10			17.1	The state of the s	

Dr.	Bank A	Account	Cr.	
Particulars	Amount	Particulars	Amount	
Limitary ordinal	₹ 000	A THE PERSON NO. THE PARTY	*	
To Balance b/d	19,400	By Realisation A/c	38,000	Ī
To Realisation A/c	88,000	(Sundry Creditors)		
(Assets sold)	300 (4) 008	By Realisation A/c	2,000	
Syrary baltura III	38,000	(Expenses paid)		
By Alber's agetal A/c.		By Akbar's Capital A/c	52,640	

(Final settlement)

By Birbal's Capital A/c

(Final Settlement)

Working Notes:

- (1) Debit balance of Realisation A/c
 - = Debit side total Credit side total
 - = 1,81,300 1,65,700 = ₹15,600

Debit balance of Realisation A/c shows loss incurred on realisation of assets and liabilities.

1,07,400

Q. No.						
	5					
		Di	vision of Loss :			
000	00.6	Al	sbar's share in Loss = $\frac{3}{5}$ × 15,600 = ₹ 9,36	0		
		Bir	rbal's share in Loss = $\frac{2}{5}$ × 15,600 = ₹ 6,24	0.		
		(2) Di	ivision and trasfer of General Reserve to c	redit	side of Part	tners'.
			ppital A/cs:			
		Al	kbar's share in General Reserve = $\frac{3}{5} \times 20$,	000 =	₹ 12,000.	
		Bi	rbal's share in General Reserve = $\frac{2}{5} \times 20$,	000 =	₹ 8,000.	
000	09.5	[Mark	ing Scheme : MA allow water due!	ηŤ	•	Marks
		-	alisatoin A/c: 9 Accounting entries carry	mar	k each (9 ×)) 41
		(2) Pa	rtners' Capital Accounts:	Oh.		
		-	accounting entries carry 1 mark each. (10	(x (21
1000	pks	(3) Bo	ink A/c: 6 Accounting entries carry 1 ma	rk ea	ch	3
			(basican yanus Ito Perk ya		Total marks	10
						757
		yed days	and and an and an and an			
3 800	OR I	Note Comp in the releva	: This question is related to issue of shares of sany. In the answer to this question, you are expense books of Joint Stock Company. In some case ant extracts in Balance Sheet. In journal entries. 1/2 mark is allotted for each narration.	r debo	o prepare Jou may be ask	rnal Entries ed to show
000	OR I	Note Comp in the releva	: This question is related to issue of shares of bany. In the answer to this question, you are expense to books of Joint Stock Company. In some case ant extracts in Balance Sheet. In journal entries	r debe ected t es you es, na	o prepare Jou may be ask rration is req	rnal Entries ed to show
000	100.1	Note Comp in the releva	: This question is related to issue of shares of sany. In the answer to this question, you are expense books of Joint Stock Company. In some case ant extracts in Balance Sheet. In journal entries, 1/2 mark is allotted for each narration.	r debe ected t es you es, na	o prepare Jou may be ask rration is req	rnal Entries ed to show
000		Note Comp in the releva writte	: This question is related to issue of shares of pany. In the answer to this question, you are expense books of Joint Stock Company. In some case ant extracts in Balance Sheet. In journal entries. 1/2 mark is allotted for each narration. Journal of MODERN CHEMICA	r debo ected t es you es, na	o prepare Jou may be ask rration is req	rnal Entries ed to show uired to be
000	OR I	Note Comp in the releva writte	: This question is related to issue of shares of pany. In the answer to this question, you are experted books of Joint Stock Company. In some case and extracts in Balance Sheet. In journal entries. 1/2 mark is allotted for each narration. Journal of MODERN CHEMICA Particulars	r debo ected t es you es, na	o prepare Journal on may be ask tration is required.	rnal Entries ed to show uired to be
000	OR I	Note Comp in the releva writte	: This question is related to issue of shares of sany. In the answer to this question, you are expense books of Joint Stock Company. In some case and extracts in Balance Sheet. In journal entries. In 1/2 mark is allotted for each narration. Journal of MODERN CHEMICA Particulars Bank A/c Dr.	r debo ected t es you es, na	o prepare Journal on may be ask tration is required.	rnal Entries ed to show uired to be Credit
000		Note Comp in the releva writte	: This question is related to issue of shares of pany. In the answer to this question, you are expected books of Joint Stock Company. In some case and extracts in Balance Sheet. In journal entries in 1/2 mark is allotted for each narration. Journal of MODERN CHEMICA Particulars Bank A/c Dr. To Equity Share Application A/c	r debo ected t es you es, na	o prepare Journal on may be ask tration is required.	rnal Entries ed to show uired to be Credit
000	(94,00)	Note Comp in the releva writte	: This question is related to issue of shares of sany. In the answer to this question, you are expensed books of Joint Stock Company. In some case and extracts in Balance Sheet. In journal entries. In 1/2 mark is allotted for each narration. Journal of MODERN CHEMICA Particulars Bank A/c Particulars Bank A/c Dr. To Equity Share Application A/c (Being share application money ₹ 5 per share received on 65,000 shares) Equity Share Application A/c Dr.	r debo ected t es you es, na	o prepare Journal on may be ask tration is required.	rnal Entries ed to show uired to be Credit ₹ 3,25,000
000	04.1	Note Comp in the releva writte Date	: This question is related to issue of shares of sany. In the answer to this question, you are expected books of Joint Stock Company. In some case and extracts in Balance Sheet. In journal entries on 1/2 mark is allotted for each narration. Journal of MODERN CHEMICA Particulars Bank A/c Dr. To Equity Share Application A/c (Being share application money ₹ 5 per share received on 65,000 shares)	r debo ected t es you es, na	o prepare Journal on may be ask tration is required. O. LTD Debit 3,25,000	rnal Entries ed to show uired to be Credit

(Being application money transferred to share capital and excess application money refunded)

9, 36, Q. No. 5 3 Equity Share Allotment A/c Dr. 3,00,000 To Equity Share Capital A/c 3,00,000 (Being allotment money ₹ 5 per share due on 60,000 shares) Bank A/c Dr. 3,00,000 To Equity Share Allotment A/c 3,00,000 (Being allotment money received) 5 Equity Share First call A/c Dr. 2,40,000 To Equity Share Capital A/c 2,40,000 (Being first call money ₹ 4 per share due an 60,000 shares) 6 Bank A/c Dr. 2,40,000 To Equity Share First Call A/c 2,40,000 (Being first call money received) 7 Equity Share Second Call A/c 1,80,000 To Equity Share Capital A/c 1,80,000 (Being second call money ₹ 3 per share due on 60,000 shares) 8 Bank A/c Dr. 1,79,700 Equity Share Second Calls in Arrears A/c Dr. 300 To Equity Share Second Call A/c 1,80,000 (Being second call money received on all shares except 100 shares) Total: 20,90,000 20,90,000

Я. Ж. Q. No.	5	No. 12 American						
		Working Notes:						
		(1) Money refunded o				that.		
	-	CONTRACTOR OF THE PARTY OF THE			oney transferred to share cap	ortal.		
-					0 - 3,00,000 = ₹ 25,000.			
		(2) Money received o						
		(3) Equity share seco	ina calls in	arrears =	= 100 × 5 = ₹ 500.			
		[Marking Scheme +	CRIS HESS	da to s	Marks			
		(1) Journal entries N						
-0		(2) Remaining 6 journ						
					Total marks : 10]			
		percent		1	and and a			
	100	in the second second	ye.	out til	taivist of			
		Ref publications in	ph,		a new immericance			
000	on lo	carrint year 1.0		1,300	hing are nine golden below			
		Manual anno	YP.	0001HL				
0.0	12 12	of market a	al Co		priority of the last light profits	-		
			34,700	007	the surrort par.			
			004;8		amophroviti			
4			1,112.4		To Printing & Stationery	-		
					Te Depreciation on			
			8,000		Families			
					To Execute of Decima part			
			-001,8		(higgst) and troupid			
(IIII)			(00,50					

6

Note: This is a compulsory practical problem set on Accounts for 'Not for Profit Concern.' In the answer, Income and Expenditure Account and Balance Sheet of Not for Profit Concern are required to be prepared on the basis of Receipt and Payment Account and some adjustments. On the debit side of Income and Expenditure A/c, only revenue expenditures and on the credit side only revenue incomes are to be shown. Give proper accounting treatment for outstanding and pre-received subscriptions, outstanding expenses, capitalisation of incomes, depreciation on fixed assets, etc. Balance Sheet is to be prepared on the same line as we prepare in partnership final accounts.

In the books of ADARSH CULTURAL CLUB, MUMBAI.

Income and Expenditure Account

Dr. for the year ended on 31st March, 2013

Cr.

	Amount	Amount		Amount	Amount	
Expenditure	₹	₹	Income	₹	₹	
To Salaries	35,300		By Subscriptions	48,000		
Less : Previous year's			Add : Outstanding for			
outstanding salaries paid	1,300		current year	2,000	50,000	
	34,000		By Drama Receipts	28,000		
Add : Salaries outstanding			Less : Drama Expenses	16,000	12,000	
for current year	700	34,700				
To General Expenses		8,400				
To Printing & Stationery		4,200				
To Depreciation on						
Furniture		5,000				
To Excess of Income over	15					
Expenditure (Surplus)		9,700				
		62,000			62,000	

Balance Sheet as on 31st March, 2013

Janet, Janet	Amount	Amount	nothing and no boot	Amount	Amount	
Liabilities	₹	₹	Assets	*	₹	
Capital Fund	2,57,000	000,89	Buildings	(8)	2,50,000	
Add : Surplus	9,700	2,66,700	Furniture	20,000		
Building Fund	50,000	d met	Add: New furniture			
Add : Donation for			purchased	10,000		
Building fund	20,000	70,000		30,000		
Subscriptions received	o fon 20	05178	Less: Depreciation	5,000	25,000	
in advance	base age	2,000	Outstanding subscription			
Outstanding Salaries	obin til t	- 5105	for 2012-13		2,000	
for 2012 - 13	Li avid no	700	Cash at Bank		57,800	
			Cash in Hand		4,600	
		3,39,400			3,39,400	

Working Notes:

(1) Outstanding subscriptions for the current year: 2012-13 are calculated as follows:

Outstanding subscriptions

- = Subscriptions due or receivable Subscriptions received
- = 500 × 100 − 48,000 = 50,000 − 48,000 = ₹ 2,000.

Outstanding subscriptions for 2012-13 ₹ 2,000 first added to Subscriptions received on the credit side of Income and Expenditure A/c and then it is shown on the Assets side of Balance sheet.

(2) Depreciation calculated on furniture: ₹

On the opening balance of ₹ 20,000 @ 20% for 1 year = 4,000

On New Furniture of ₹ 10,000 purchased on 1/10/12 i.e.

for 6 months @ 20% = 1,000

Total: 5,000

(3) Subscriptions of ₹ 2,000 received for 2013-14 is shown on the Liabilities side of Balance Sheet.

Q. No. 6	The same of the sa	
	(4) Donations of ₹ 20,000 received for Building fund is added	d to buildin
India.	fund on the liabilities side of Balance Sheet.	
3		
E.50,000	(5) Drama Receipts of ₹ 28,000 is greater than Drama expens	es ₹ 16,000
19	Hence Drama Receipts are shown on the credit side of	Income an
	Expenditure A/c and then Drama expenses of ₹ 16,000 ar	e deducte
	from Drama Receipts.	
- 0	SISE DOOLOT DOOLOS best probed	
DOUGH O	(6) Outstanding Salary of ₹ 1,300 for 2011-12 is deducted fr	
000.0	paid on the debit side of Income and Expenditure A/c and	outstanding
200.72	salaries of ₹ 700 for 2012-13 is added to salaries paid and	then same
DOGTE.	outstanding salaries is shown on the Liabilities side of Balan	ce Sheet.
000,00	I Start of Alpha	
CONTES	001.91.0	
	[Marking Scheme:	Marks
	(1) Income and Expenditure A/c:	
373 41-3	(i) Entries for subscriptions and entry for drama receipt	5
	carry 1 mark each (2 x 1) Applied as bafalusias	2
	(ii) Entry for Salaries carries 1 marks marks	1½
	(iii) Remaining 4 entries carry mark each (4 × 1)	2
Later bridge	(2) Balance Sheet : 2 - 000 00 - 000 04 - 001 - 002	
NA AMERICA	(i) Entry for capital fund and entry for Building fund carry	
20120	1 mark each (2 × 1) of no back as a matter seduce	2
	(ii) Entry for Furniture carries 1 marks	1 1
7	(iii) Remaining 6 entries carry $\frac{1}{2}$ mark each $(6 \times \frac{1}{2})$	3
	and marks	12]
000.9	and the opening believes of T 20,000 or 20% for 1 year -	
	On their Furnithms of 7 10,000 porchased on 1710712 fat	
000.1	On New Furniture of 7 10,000 porchased on 1/10/12 later for 6 houting to 20%.	
	On their Furnithms of 7 10,000 porchased on 1710712 fat	

7

Note: This is a compulsory question (problem) on Partnership final accounts. In this problem, tallied trial balance with 5 to 6 adjustments are given. Considering both, students are expected to prepare Trading A/c, Profit and Loss A/c and Balance Sheet. Partners' Capital Accounts or Current Accounts may be prepared separately or they may be incorporated on the Liabilities side of Balance Sheet. Note that Profit and Loss Appropriation Account is not expected. Give single effect (i.e. make entry at one place only) for each item provided inside the trial balance and give two effects for each item given in the adjustments. Marks for correct postings are allotted. First get completed posting of accounting items and adjustments. At the end do the totalling and balancing. The following adjustments are frequently asked:

 Closing stock. 2. Outstanding and prepaid expenses. 3. Bad debts and R.D.D. 4. Depreciation on fixed assets. 5. Unrecorded sales or purchases. 6. Loss of insured or uninsured goods by fire or theft. 7. Interest on capital and interest drawings. 8. Goods withdrawn by the partner for self use.

Interest on drawings is to be calculated for average period of 6 months if actual dates of drawings are not given.

In the books of Partnership Firm of JAYA and MAYA

Trading A/c & Profit and Loss A/c

Dr. for the year ended on 31st March, 2011

Cr.

l	Transportation of the Control of the	Amount	Amount		Amount	Amount	
	Particulars	₹ 80	₹	Particulars	₹	₹	
ĺ	To Opening Stock		32,800	By Sales	Tall	1,94,000	
Ì	To Purchases	1,09,000	2.8 00	By Closing Stock		22,600	
	Less : Purchase of	- (8)	U P	4/4 ptem	17 17		
l	furniture wrongly	1.00	Ç 100	S.P.			
	included	10,000	99,000	al library			
	To Carriage Inwards		3,700				
	To Wages and Salaries		28,600				
	To Gross Profit c/d		52,500				
			2,16,600			2,16,600	

V.	那	
Q	N	8

					- 10		
İ	To Insurance		3,700	By Gross Profit b/d		52,500	
I	To Rent, Rates	MENDAL INC	INVE SOM	By Commission		5,500	
	& Taxes		14,600	By Partners'	ata/UT		
	To Office Expenses		7,300	Current A/cs:			
	To R.B.D.D. A/c	in Sensor		(Net Loss)			
l	New Reserve	4,400		Jaya	4,000		
	Less : Old Reserve	- 2,000	2,400	Maya	6,000	10,000	
	To Depreciation on	111					
	Land and Building	30,000			HER		
	Plant and Machinery	6,000					
	Furniture	4,000	40,000				
	3		68,000			68,000	

Ī	Dr.		Cr.				
	and decided	Jaya	Maya	Particulars	Jaya	Maya	
ı	Particulars	₹	₹	Particulars	₹	₹	
١	To Drawings A/c	500	1,500	By Balance b/d	3,400	9,100	
	To Profit and	A 41 00	55	Marie plan	o st		
	loss A/c	4,000	6,000	By Balance b/d	1,100	7:	
ĺ	To Balance c/d	•	1,600		litta.		
		4,500	9,100	Victoria 200	4,500	9,100	
	By Balance b/d	1,100	e- 00	By Balance b/d	-	1,600	
7							

Dr.

Cr.

	Liabilities	Amount 7	Amount ₹	Assets	Amount 7	Amount ₹	
١	VFDL W 000,00 N	to your	od Wiles	ning to multi-lang	d-(16)		
1	Partners'			Land and Building	3,00,000		
	Capital A/cs:			Less : Depreciation	30,000	2,70,000	
	Jaya	2,00,000	is to acco	Plant and Machinery	60,000		
Ī	Maya	2,50,000	4,50,000	Less : Depreciation	6,000	54,000	
Ì	Sundry Creditors	s debited	45,600	Furniture	15,000		
I	Maya's Current A/c		1,600	Add : New furniture			
ı				Purchased	10,000		
				The American	25,000		
Ī				Less : Depreciation	4,000	21,000	
	1 00000	No.	enso mi	Sundry Debtors	88,000		
				Less : R.D.D. @ 5%	4,400	83,600	
	MAL HOLD	Name of	cale mayor	Closing Stock		22,600	
i			1	Cash in Hand		4,700	
	devel from month	- Tuotasa	-	Cash at Bank	1)	40,200	
			1146	Jaya's Current A/c		1,100	
Ī	U TI TI TI		4,97,200		TIG	4,97,200	

Working Notes:

- (1) Furniture of ₹ 10,000 purchased on 1/10/2012, wrongly included in purchases is first deducted from purchases on the debit side of Trading A/c and then it is added to Furniture on the assets side of Balance Sheet.
- (2) Depreciation charged on furniture is calculated as follows: ₹

 Depreciation on opening balance of furniture of

 ₹ 15,000 @ 20% p.a. for 1 year. 3,000

 Depreciation on New furniture of ₹ 10,000 @ 20% p.a.

 for 6 months (i.e. from 1/10/2012 to 31/03/2013) 1,000

 Total: 4,000

. m. 2. No. 7		1-4
	(3) Depreciation on Land and Building of ₹3,00,000 @ 10% fo	r 1 year
Jacobs 1	=₹ 30,000.	1
- 1	3 3 3	
	(4) Depreciation on plant and Machinery of ₹ 60,000 @ 10%	Щ.
	for 1 year = ₹ 6,000.	
000,07,5	Capital Artis	
	(5) R.D.D. = 5% on the value of debtors = $\frac{5}{100}$ × 88,000 = ₹ 4,	400.
00014	Mayo 2 Section 4 (20.000) Level Department & D.	
(((6) Wages and Salaries ₹ 28,600 is debited to Trading A/c.	
	waterot self : 664 OOL1 - NA.Surt Statepta	
- 0	(Marking Scheme 1996)	Marks
0	(1) Trading A/c:	
000000	(i) Entry for purchases carries 1 mark	1
- 0	(ii) Remaining 6 entries carry $\frac{1}{p}$ mark each $(6 \times \frac{1}{p})$	3
DALCE O	(2) Profit & Loss A/c	
12,800	(i) Entry for Depreciation and entry for R.B.D.D. A/c	
XTL1	carry 1 mark each (2 × 1)	2
OS,0#	(ii) Remaining 5 entries (excluding entry for Gross profit b/d)	
OLE	carry = mark each (5 × 1/2)	2 1
CE, CEA	(3) Partners' Current A/cs:	
	8 entries carry $\frac{1}{4}$ mark each $(8 \times \frac{1}{4})$	2
	(4) Balance Sheet :	
Labulzal	9 accounting entries carry $\frac{1}{z}$ mark each $(9 \times \frac{1}{z})$	4 1/2
	this fideb set as expellent most balls test a Total Marks:	15
and are	Are and then it is added to granture at the assets side at Bal	
3	(2) Deprociation arranged on Compare is coloubled in follows:	
	Depreciation on opening belonce of furniture of	
3,00	# 15,000 W 20% p.o. for 1 year.	
- 111	Depreciation as the familiars of \$10,000 to 20% person.	
20001	[E105/E07/IE of S105/OF/I mont anily arthroid a half	
MON TH		