

J. K. SHAH CLASSES

SYJC - BOOK KEEPING & ACCOUNTANCY

PRELIMS - 2

Branch : Andheri, Borivali, Vasai
Total Marks : 80

Date: 21/01/2017
Total time: 3 hours

SOLUTION

Ans.1(A)

1. The debt or its part which cannot be recovered from a debtor is called bad debt.
2. General Reserve is distributed amongst old partner in Old Ratio.
3. Realisation a/c is debited on payment of Dissolution Expense.
4. The drawer of a bill is the person who draws or make the bill.
5. A statement which is prepared under the Single Entry system on the basis of estimated balances of various assets and liabilities is called "Statement of Affairs".

Ans. (B)

1. Surplus
2. Dissolution
3. Retirement of Bill
4. Single Entry System
5. Foreign Bill

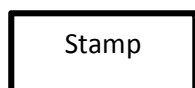
Ans.(C)

1. (b) Profit and Loss A/c
2. (a) 5 : 2
3. (c) Par
4. (b) 14th August, 2013
5. (a) Liquidity

Ans.(D)

1. False It is valued at cost or market value whichever is less.
2. True It shows all incoming & outgoing of cash and cheques.
3. False Shares can be issued for consideration other than cash.
4. False It can be endorsed more than once.
5. False. It includes Balance Sheet / Profit & Loss & Cash Flow Statement.

Ans. (E)



₹ 20,000/-

Amitabh Bachan
Juhu,
Mumbai.

Date ; 23rd August, 2010.

Ninety days after date pay to Aishwariya Vile Parle, Mumbai or her order a sum of rupees twenty thousand only for the value received.

Accepted

To,
Abhishek Bachan
J V P D
Mumbai.

sd/-
(Amitabh Bachan)

sd/-
(Abhishek Bachan)
Date: 25th August, 2010.

Ans. 2.

In the Books of Shri Sachin
Statement of Affairs as on 1/4/2012 & 31/3/2013

Liabilities	1.4.2012 ₹	31.3.2013 ₹	Assets	1.4.2012 ₹	31.3.2013 ₹
Capital (Bal.fig)	1,33,000	1,96,000	Cash in hand	10,000	16,000
Creditors	15,000	18,000	Cash at Bank	20,000	36,000
			Stock	16,000	24,000
			Furniture	18,000	18,000
			Plant & Machinery	60,000	90,000
			Debtors	24,000	30,000
	1,48,000	2,14,000		1,48,000	2,14,000

Dr.		Capital Account		Cr.
Particular	₹	Particular	₹	
To Drawings		By Balance B/d	1,33,000	
Cash	10,000	By Bank	3,000	
Goods	2,000			
		By Net Profit before Adjustment	73,000	
To Balance C/d	1,96,000			
	2,08,000			2,08,000

Statement of Profit & Loss for the year ended 31st March, 2013.

Particulars	₹	₹
Capital as on 31/3/12		1,96,000
Add :- Drawings made during the year		
Cash	10,000	
Goods	2,000	<u>12,000</u>
		2,08,000
Less :- Further Capital introduced		<u>2,000</u>
		2,06,000
Less :- Capital as on 1/4/12		<u>1,33,000</u>
Profit before Adjustment		73,000
Less :- Expenses / Losses		
Depreciation on Machinery	7,500	
Depreciation of Furniture	<u>900</u>	<u>8,400</u>
Net Profit for the year.		64,600

Ans.2 (A) Four limitations of Financial Analysis.

- 1) Historical information
- 2) Qualitative information ignored
- 3) Only tool and not the remedy
- 4) Influence of personal judgement

(B) This ratio indicates the relationship between the profit before interest and tax and total investment of the business enterprise. It measures the efficiency & Profitability of business enterprises. The formula is

$$\text{ROI} = \frac{\text{Profit before Interest, Tax and Dividend}}{\text{Capital Employed}} \times 100$$

Ans.3.

**Admission of Partner
In the Books of Partnership Firm**

Dr.			Cr.	
Revaluation Account				
Particulars	₹	Particulars	₹	
To Stock	6,000	By Building	12,000	
		By Excess BDR	1,200	
To Profit				
Kareena (2/3)	4,800			
Karishma (1/3)	2,400			
	<u>13,200</u>		<u>13,200</u>	

Dr.				Cr.			
Partner's Capital Account							
Particulars	Kareena	Karishma	Katrina	Particulars	Kareena	Karishma	Katrina
				By Balance b/d	96,000	64,000	
				By Gen. Reserve	12,000	6,000	
				By Profit & Loss	4,000	2,000	
				By Profit on Revaluation	4,800	2,400	
				By Cash			48,000
				By Good will	12,000	6,000	
To Balance c/d	1,28,800	80,400	48,000				
	<u>1,28,800</u>	<u>80,400</u>	<u>48,000</u>		<u>1,28,800</u>	<u>80,400</u>	<u>48,000</u>

Balance Sheet as on 1st April, 2013.

Liabilities	₹	₹	Assets	₹	₹
Partner's Capital A/c			Building	1,00,000	
Kareena	1,28,800		Add:- Appreciation	<u>12,000</u>	1,12,000
Karishma	80,400		Furniture		30,000
Katrina	<u>48,000</u>	2,57,200	Sundry Debtors	63,000	
			Less: New BDR	<u>1,800</u>	61,200
Sundry Creditors		80,000	Stock	84,000	
			Less: Reduced	<u>6,000</u>	78,000
			Cash		38,000
			Goodwill		18,000
		<u>3,37,200</u>			<u>3,37,200</u>

Ans.3.

**Retirement of Partner
In the Books of Partnership Firm**

Dr.			Cr.	
Profit & Loss Adjustment Account				
Particulars	₹	Particulars	₹	
To Stock	960	By Land & Building	11,000	
To BDR	200			
To Profit				
Jetha (5/10)	4,920			
Daya (2/10)	1,968			
Champak (3/10)	<u>2,952</u>			
	<u>11,000</u>		<u>11,000</u>	

Dr. Particular Capital Account				Cr.			
Particulars	Jetha	Daya	Champak	Particulars	Jetha	Daya	Champak
To Goodwill	3,000	600		By Balance b/d	50,000	20,000	30,000
To Cash			36,552	By P/L Adjustment	4,920	1,968	2,952
				By Goodwill			3,600
				By Cash	68,080	18,632	
To Balance c/d	1,20,000	40,000					
	1,23,000	40,600	36,552		1,23,000	40,600	36,552

Balance sheet as on 31st March, 2013

Liabilities	₹	₹	Assets	₹	₹
<u>Capitals Accounts</u>			Plant & Machinery		20,000
Jetha	1,20,000		Land & Building	55,000	
Daya	<u>40,000</u>	1,60,000	Add :- Appreciation	<u>11,000</u>	66,000
			Stock	12,000	
Creditors		15,000	Less :- Written off	<u>960</u>	11,040
			Debtors	12,000	
			Less :- New BDR	<u>1,200</u>	10,800
			Cash		67,160
		1,75,000			1,75,000

Ans.4. In The Books of Dhoni

Date	Particulars	LF	Debit (₹)	Credit (₹)
2013	Virat a/c Dr		30,000	
March -1	To Sales a/c			30,000
	(Being goods sold on credit to Virat)			
March -1	Bills Receivable a/c Dr		30,000	
	To Virat a/c			30,000
	(Being bill drawn on Virat)			
May-21	Virat a/c Dr		30,000	
	To Bills Receivable a/c			30,000
	(Being new bill dishonoured for renewal)			
May - 21	Virat a/c Dr		400	
	To Interest a/c			400
	(Being interest charged on new bill of ₹ 20,000 @ 12 % p.a. for 2m)			
May 21	Cash / Bank a/c Dr		10,000	
	Bills Receivable a/c Dr		20,400	
	To Virat a/c			30,400
	(Being Cash & new bill received from Virat.)			
July-4	Cash / Bank a/c Dr		20,400	
	To Bill Receivable a/c			20,400
	(Being new bill honoured on due date.)			
	TOTAL ₹		1,41,200	1,41,200

Ans.5.

In the Books of Partnership Firm

Dr.

Realisation Account

Cr.

Particulars	₹	₹	Particulars	₹	₹
To Sundry Assets			By BDR		3,000
Machinery	50,000		By Sundry Liabilities		
Stock	20,000		Creditors	40,000	
Debtors	55,000		Bills Payable	14,000	54,000
Investments	24,000	1,49,000	By Bank		
To Bank (Expenses)		3,000	Machinery	45,000	
To Bank			Stock	18,000	
Creditors	40,000		Investments	21,000	
Bills Payable	14,000	54,000	Debtors	45,000	
To Profit			Goodwill	24,000	1,53,000
Rahul (2/5)	1,600				
Maya (2/5)	1,600				
Mamta (1/5)	800	4,000			
		2,10,000			2,10,000

Dr.

Particular Capital Account

(2:2:1)

Cr.

Particulars	Rahul	Maya	Mamta	Particulars	Rahul	Maya	Mamta
To Profit & Loss	7,200	7,200	3,600	By Balance B/d	60,000	20,000	20,000
				By General Reserve	2,400	2,400	1,200
				By Realisation (profit)	1,600	1,600	800
To Bank	56,800	16,800	18,400				
	64,000	24,000	22,000		64,000	24,000	22,000

Dr.

Bank A/c

Cr.

Particulars	₹	Particulars	₹
To Balance b/d	4,000	By Realisation	3,000
To Realisation	1,53,000	By Rahul loan	8,000
		By Realisation	54,000
		By Rahul	56,800
		By Maya	16,800
		By Mamta	18,400
	1,57,000		1,57,000

Ans.5. Journal of Dangal Ltd.

Date	Particulars	LF	Debit (₹)	Credit (₹)
? 1	Bank a/c Dr		1,25,000	
	To Share Application a/c			1,25,000
	(Being application money received)			
2	Share Application a/c Dr		1,25,000	
	To Bank a/c			25,000
	To Equity Share Capital a/c			1,00,000
	(Being 20,000 share allotted and 5,000 share rejected)			
3	Share Allotment a/c Dr		2,00,000	
	To Equity Share Capital a/c			2,00,000

	(Being call for allotment made on 20,000 share at ₹ 10/- per share)			
4	Bank a/c Dr		2,00,000	
	To Share Allotment a/c			2,00,000
	(Being call for allotment received)			
5	First Call a/c Dr		60,000	
	To Equity Share Capital a/c			60,000
	(Being first call made on 20,000 share)			
6	Bank a/c Dr		60,000	
	To First Call a/c			60,000
	(Being first call made money received)			
7	Final call a/c Dr		40,000	
	To Equity Share Capital a/c			40,000
	(Being final call made on 20,000 Shares)			
8	Bank a/c Dr		39,600	
	Calls in Arrean a/c Dr		400	
	To Final Call a/c			40,000
	(Being final call money received on all shares except on 200 shares held by Amir.)			
	TOTAL ₹		8,50,000	8,50,000

**Ans.6. Warren Buffet Foundation Library,
Income & expenditure Account for the year ended 31/03/2013.**

Expenditure	₹	₹	Income	₹	₹
To Electricity charge		6,980	By Members Subscription	1,80,000	
To Postage & Telegram		6,100	Add: O/s at End	<u>7,500</u>	
To Expense	7,000			1,87,500	
Less: O/s at Beg ⁿ	<u>7,000</u>	Nil	Less: Adv. at End	<u>15,000</u>	1,72,500
To Sundry Expenses		10,500	By Entrance Fees (1/2)		12,500
To Depreciation			By Sale of old Newspaper		1,500
Furniture	8,650		By Hire of lecture hall		18,000
Books	<u>1,00,000</u>	1,08,650	By Interest on Securities		4,000
To Excess of Income over Expenditure (Surplus)		76,270			
		<u>2,08,500</u>			<u>2,08,500</u>

Warren Buffet Foundation Library
Balance sheet as on 31st March, 2013.

Liabilities	₹	₹	Assets	₹	₹
Capital Fund	6,90,000		Furniture	72,500	
Add:- Entrance fees	<u>12,500</u>		Add: Additions (1/10/12)	<u>28,000</u>	
	7,02,500			1,00,500	
Add: Surplus	<u>76,270</u>	7,78,770	Less: Depreciation	<u>8,650</u>	91,850
			Books	5,51,000	
			Add: Additions	<u>80,000</u>	
				6,31,000	
Advance Subscription		15,000	Less: Depreciation	<u>1,00,000</u>	5,31,000
			Invest in Securities	50,000	
			Add: Additions	<u>1,00,000</u>	1,50,000
			Cash in hand		6,420
			Cash in Bank		7,000
			o/s Subscription		7,500
		7,93,770			7,93,770

Ans.7.

MESSRS RANCHO & CO.

Trading and Profit and loss Account for the Year ended 31st March, 2013.

Dr. **Cr.**
Trading Account

Particular	₹	₹	Particulars	₹	₹
To Opening stock		25,000	By Sales		4,30,000
To Purchase		2,20,000			
To Wages & Salaries	23,000				
Add: Outstanding	<u>2,500</u>	25,500			
To Manufacturing Exp.		25,500	By Closing stock		80,000
To Gross Profit c/d		<u>2,14,000</u>			
		5,10,000			5,10,000

Dr. **Cr.**
Profit and Loss Account

To Discount		4,000	By Gross Profit b/d		2,14,000
To Advertisement	10,000		By Interest on 10% Govt. Bonds		4,500
Less: Prepaid	<u>8,750</u>	1,250	By Discount		3,500
To Salaries Wages		45,000			
To Office Rent		6,000			
To Depreciation on Plant & Machinery		7,500			
To BDR (Adj)		2,250			
To Net Profit					
Farhan (1/2)	78,000				
Raju (1/2)	<u>78,000</u>	1,56,000			
		2,22,000			2,22,000

MESSRS RANCHO & CO.

Balance Sheet as on 31 March 2013.

Dr.			Cr.		
Liabilities	₹	₹	Assets	₹	₹
Capital Accounts			Sundry Debtors	45,000	
Farhan	1,98,000		Less: New BDR (Adjit)	<u>2,250</u>	42,750
Raju	<u>1,68,000</u>	3,66,000	Factory Building		1,75,000
			Plant Building	75,000	
			Less: Depreciation	<u>7,500</u>	67,500
			Prepaid Advertisement		8,750
			Cash in Hand		15,000
Sundry Creditors		85,000	10% Govt. Bonds	60,000	
O/s Wages		2,500	Add: Accrued Interest	<u>4,500</u>	64,500
			Closing Stock		80,000
		<u>4,53,500</u>			<u>4,53,500</u>

Dr.			Partner's Capital Account (1 : 1)		Cr.
Particulars	Farhan	Raju	Particulars	Farhan	Raju
			By Balance b/d	1,20,000	90,000
To Balance c/d	1,98,000	1,68,000	By Net Profit	78,000	78,000
	<u>1,98,000</u>	<u>1,68,000</u>		<u>1,98,000</u>	<u>1,68,000</u>