

BOARD QUESTION PAPER : MARCH 2020

BOOK KEEPING & ACCOUNTANCY

Time: 3 Hours

Max. Marks: 80

Attempt any THREE of the following sub-questions: [15]

(A) Answer the following questions in only 'one' sentence each: (5)

- (1) What is drawer?
- (2) What do you mean by dissolution of partnership firm?
- (3) What is balance sheet?
- (4) What do you mean by cash flow statement?
- (5) Which receipts are called as capital receipts?

(B) Write a word / term / phrase as a substitute for each of the following statements: (5)

- (1) Expenses incurred on dissolution of a firm.
- (2) The ratio measuring the relationship between gross profit and net sales.
- (3) A gift given by a person to a concern as per the will.
- (4) The partner who neither brings capital nor participates in day to day activities of business.
- (5) Payment of the bill before due date.

(C) Select the most appropriate alternative from the choices given below and rewrite the statements: (5)

- (1) If the opening capital is ` 80,000, closing capital is ` 1,80,000, withdrawals are ` 10,000 and additional capital brought in the business is ` 20,000, then the profit will be _____.
(A) ` 90,000 (B) ` 1,10,000
(C) ` 70,000 (D) ` 1,50,000
- (2) The Indian Negotiable Instruments Act was formed in the year _____.
(A) 1818 (B) 1918
(C) 1881 (D) 1981
- (3) X, Y and Z are partners sharing profits in the ratio of 5:3:2. If Y retires then the new ratio will be _____.
(A) 5 : 2 (B) 5 : 3
(C) 3 : 2 (D) 2 : 5
- (4) The issue of debentures less than the face value is called _____.
(A) at par (B) at premium
(C) at discount (D) none of these
- (5) A bill which is drawn on 12th June, 2016 is payable after two months, the due date of the bill will be _____.
(A) 12th August, 2016 (B) 15th August, 2016
(C) 14th August, 2016 (D) 16th August, 2016

(D) State whether the following statements are True or False: (5)

- (1) Drawee can transfer the ownership of the bill.
- (2) When goodwill is paid privately, its entry in the books of accounts is not required.
- (3) Shares are always issued at par.
- (4) Drawings made during the year decreases the profit under single entry system.
- (5) Credit balance of profit and loss A/c shows net profit.

- (E) Prepare a format of Bill of Exchange from the following information: (5)
- Drawer : Madhuri Joshi, 1, Hari Mandir
Road, Kolhapur.
- Drawee : Vaishali Babar,
2, Miraj Road, Sangli.
- Date of bill : 5th November, 2016.
- Amount of bill : ₹ 12,600/-
- Period of bill : 90 days
- Date of acceptance : 6th November, 2016 for
60 days only.

Shri Amar started his business with a capital of ₹ 70,000 on 1st April, 2015. His financial position on 31st March, 2016 was as follows: [8]

Particulars	Amount (₹)
Cash	4,720
Stock	5,125
Bills payable	7,400
Creditors	8,150
Debtors	20,000
Prepaid insurance	300
Bills receivable	15,150
Premises	42,400
Vehicles	20,100

Additional information:

- Shri Amar brought additional capital of ₹ 10,000 on 30th September, 2015.
- Interest on capital is to be allowed at 5% p.a.
- Shri Amar withdrew ₹ 5,000 for his personal use.
- Depreciate vehicles at 10% p.a. and premises at 10% p.a.
- Reserve for bad and doubtful debts is to be provided at 3% after writing off bad debts of ₹ 1,000.
- Creditors of ₹ 3,180 be written off.

Prepare:

- Closing statement of affairs as on 31 – 03 – 2016.
- Statement of Profit or Loss for the year ended 31 – 03 – 2016.

OR

- Give the meaning and types of 'comparative financial statement' and explain the steps to prepare it. (4)
- Give the meaning of 'capital investment' and explain return on investment. (4)

Jayesh and Kamal are partners in a firm sharing profits and losses in the ratio 3 : 1. The following is their Balance Sheet as on 31st March, 2016: [10]

Balance Sheet as on 31st March, 2016

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital accounts		Building	60,000
Jayesh	60,000	Stock	40,000
Kamal	50,000	Sundry debtors	31,000
Current accounts		Cash	4,000
Jayesh	3,000	Profit and loss account	5,000
Kamal	2,000		
Sundry creditors	21,000		
General reserve	4,000		
	1,40,000		1,40,000

They admitted Vimal as a partner on 1st April, 2016 in the firm on the following terms:

- (1) She should bring ₹ 40,000 as her capital for 1/4th share in future profit and ₹ 20,000 as her share of goodwill.
- (2) Building is found overvalued by 20% and stock is found undervalued by 20% in the books. These assets are to be adjusted at their proper values.
- (3) ₹ 1,000 are to be maintained as reserve for doubtful debts.

Prepare:

- (a) Revaluation account
- (b) Old partners' current accounts
- (c) Balance Sheet of the firm after Vimal's admission

OR

The Balance Sheet of Mac, Paul and Sam is as follows:

Balance Sheet as on 31st March, 2016

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital accounts		Cash	12,000
<i>Mac</i>	32,000	Debtors	16,000
<i>Paul</i>	18,000	Stock	10,000
<i>Sam</i>	16,000	Plant and Machinery	50,000
Creditors	18,400		
Bills payable	3,600		
	88,000		88,000

Sam retires from the business on the above date on the following terms:

- (1) Stock to be depreciated by 6% and plant and machinery by 10%.
- (2) Provision for doubtful debts to be created at 5% on debtors.
- (3) Provision of ₹ 1,600 to be made for outstanding rent.
- (4) Goodwill of the firm is raised to the extent of retiring partner's share of ₹ 18,000 and remaining partners decided that goodwill should not appear in the books of accounts.
- (5) Their profit sharing ratio is 2 : 2 : 1.
- (6) The amount payable to the retiring partner be transferred to his loan account.

Prepare:

- (A) Profit and Loss Adjustment Account
- (B) Partners' Capital Accounts.
- (C) Balance Sheet of Mac and Paul.

On 1st March, 2016 Meenakshi sold goods to Neeta worth ₹ 40,000. Neeta accepted a bill for 3 months drawn by Meenakshi on 1st March, 2016.

[10]

On 31st May, 2016 Neeta requested Meenakshi to renew the bill. Meenakshi agreed on condition that Neeta should pay ₹ 10,000 in cash and accept a new bill for the balance amount plus interest @ 12% p.a. for 2 months.

Neeta accepted the new bill drawn for two months plus interest. On the due date the new bill was honoured.

Give Journal Entries in the books of Meenakshi and prepare Neeta's account in the book of Meenakshi.

Aadesh and Sandesh were partners sharing profits and losses in the ratio 3 : 2. Their Balance Sheet on 31st March, 2016 was as under:

[10]

Balance Sheet as on 31st March, 2016

Liabilities	Amount (`)	Assets	Amount (`)
Capital accounts		Cash at bank	5,000
<i>Aadesh</i>	20,000	Stock in trade	21,000
<i>Sandesh</i>	14,000	Debtors	12,000
Current accounts		Bills receivable	4,000
<i>Aadesh</i>	3,000	Furniture	15,000
<i>Sandesh</i>	2,000		
Creditors	15,000		
Bills payable	3,000		
	57,000		57,000

On the above date the firm was dissolved –

- (1) Assets were realised as follows:
Furniture ` 12,000, stock in trade ` 18,000, bills receivable ` 2,500 and debtors could be realised ` 9,500 only.
 - (2) Aadesh agreed to discharge the bills payable.
 - (3) Creditors were paid under 5% discount.
 - (4) Realisation expenses amounted to ` 3,000.
- Pass Journal Entries in the books of the firm.

OR

Akshat Co. Ltd. made an issue of 10,000 equity shares of ` 10 each, payable as follows:

On application	` 2 per share
On allotment	` 4 per share
On first call	` 3 per share
On second and final call	` 1 per share

The company received applications for 15,000 equity shares of which applications for 5,000 equity shares were rejected and money refunded. All the shareholders paid upto the second call except Kavita, the allottee of 1,000 equity shares who failed to pay upto the final call.

Pass Journal Entries in the books of Akshat Co. Ltd.

- Q. 6.** Divya Library, Buldhana showed the following position of their accounting. Consider the adjustments given and prepare Income and Expenditure Account for the year ending 31st March, 2016 and Balance Sheet as that date:

[12]

Balance Sheet as on 31st March, 2015

Liabilities	Amount (`)	Assets	Amount (`)
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

**Receipts and Payments Account
for the year ending 31st March, 2016**

Dr.			Cr.
Receipts	Amount (`)	Payments	Amount (`)
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 subscriptions	90,000	By payment of 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, 2015. Depreciate furniture @ 10% p.a.
- (2) Depreciate books by ` 50,000.
- (3) Membership subscription received during the year includes ` 7,500 for the year 2016-2017 and ` 3,750 are outstanding for the current year.
- (4) Capitalise ½ of the entrance fees.

Q.7. From the following Trial Balance and Adjustments given below, you are required to prepare Trading and Profit and Loss Account for the year ended on 31st March, 2016 and Balance Sheet as on that date of M/s Durgesh and Dinesh:

[15]

Trial Balance as on 31st March, 2016

Debit Balance	Amount (`)	Credit Balance	Amount (`)
Opening stock	9,000	Capital A/c's	
Cash in hand	1,200	Durgesh	17,500
Discount allowed	450	Dinesh	17,500
Salaries	650	Sales	23,600
Land and building	25,000	Sundry creditors	14,500
Furniture	9,000	Bills payable	3,500
Plant and machinery	11,000	Bank loan	10,000
Sundry debtors	12,500	Discount received	750
Interest paid	425	Purchase return	1,100
Printing and stationary	600		
Purchases	16,000		
Wages	1,400		
Sales return	900		
Bad debts	325		
	88,450		88,450

Adjustments:

- (1) The stock on hand on 31st March, 2016 was valued at ` 14,500.
- (2) Outstanding salary was ` 350.
- (3) Wages paid in advance to workers ` 600.
- (4) Depreciate land and building at 5% p.a. and plant and machinery at 10% p.a.
- (5) Write off ` 500 for further bad debts.