

**Karnataka Sangha's**  
**MANJUNATHA COLLEGE OF COMMERCE &**  
**JUNIOR COLLEGE OF COMMERCE, THAKURLI-(E)-421 201**  
**1<sup>st</sup> Prelim Exam-2018-19**  
**SUB.: Book Keeping**

**Class: S.Y.J.C**

**Time : : 2.30pm to 5.30pm**

**Date: 22/ 12 /2018**

**Marks : 80**

- Q.1 Attempt any three of the following Sub-question: 15
- A) Answer the following question in only 'One' Sentence each?
1. Which statement is Prepared under single entry system to ascertain Profit?
  2. What is Capital deficiency?
  3. What do you mean by 'Non-recurring' expenses?
  4. What is retirement of a bill of exchange?
  5. How is gain ratio calculated?
- B) Write a word/ term/ phrase as a substitute for each of the following statement: 5
1. Winding up of Partnership business.
  2. A Person on whom a bill is drawn.
  3. Officer appointed by the Central Government for noting of dishonour of a bill.
  4. The amount which is not recoverable from the debtors.
  5. The ratio measuring the relationship gross profit and net sales.
- C) Select the most appropriate alternative from those given below and rewrite the sentence: 5
1. \_\_\_\_\_ is an intangible asset.  
a) Goodwill b) Stock c) Building d) Cash
  2. When closing capital is greater than opening capital it denotes \_\_\_\_\_.  
a) Profit b) Loss c) no profit, no loss d) assets
  3. \_\_\_\_\_ is an acknowledgment of dept under common seal of a company.  
a) Shares b) Debenture c) Cheque d) Bond
  4. \_\_\_\_\_ is a person to whom the amount on a bill is payable.  
a) Drawer b) Drawee c) Payee d) Endorses
  5. Cash products from the issue of debentures is a \_\_\_\_\_ activity.  
a) operating b) trading c) Financial d) Non- Financial
- D) State whether the following statements are True or False: 5
1. Not for profit concerns do not have profit motive.
  2. Bank account is debited when a bill is sent to the bank for collection.
  3. A New partner is admitted in the firm for getting additional Capital and skill..
  4. Closing stock is always valued at Market price.
  5. Share are always issued at par.
- E) Prepare a specimen of Bills of Exchange from the following information: 5
1. Drawer – Shri Ratnakar Patil 205, New Bazar Amravati
  2. Drawee- Shri Jairam Purohit , Hiwarkheda Road, Kannad
  3. Payee- Shri Rohit Joshi, Kedareshwar Market , Ladjalgaon
  4. Period of Bill – 3 months
  5. Amount of Bill – Rs.25,000
  6. Date of Bill – 25<sup>th</sup> Aug, 2017
  7. Date of Acceptance – 28<sup>th</sup> Aug, 2017

- Q.2 Mr. Krish keeps his books according to single entry system. Following are the details of his business. 8

Particulars	01.04.2012 Amount (Rs.)	31.03.2013 Amount (Rs.)
Machinery	70,000	70,000
Furniture	10,000	20,000
Stock	36,000	42,000
Sundry Debtors	72,200	88,400
Cash in hand	3000	4,100
Cash at bank	42,000	52,300
Sundry creditors	54,500	60,400

Additional Information:

1. Mr. Krish had introduced Rs.20,000 as additional capital on 1<sup>st</sup> October,2012
2. Mr. Krish had withdrawn Rs.15,000 for his personal use during the year.
3. Additions to furniture were made on 1<sup>st</sup> October,2012
4. Depreciate machinery at 10% p.a. and furniture of 20% p.a.

Prepare:

1. Opening and closing statement of Affairs.
2. Statement of profit or loss for the year ending on 31<sup>st</sup> March,2013

OR

Q.2 A) What are the objectives of ratios? 4

B) State the various sources of cash inflows from operating activities. 4

Q.3 Ram and Shyam were partners in a firm sharing profits and losses equally. Following was their balance sheet as on 31.03.2016.

Balance sheet as on 31<sup>st</sup> March 2016

Liabilities	Amt (Rs.)	Assets	Amt (Rs.)
Capital		Rent of Machinery	90,000
Ram	1,00,000	Furniture	15,000
Shyam	1,00,000	Sundry Debtors	92,600
		Less : R.D.D.	1600
General Reserve	40,000	Stock	68,000
Sundry Creditors	55,300	Cash in hand	4,200
		Cash at bank	27,100
	2,95,300		2,95,300

On 1<sup>st</sup> April 2016, Lakhan was admitted as a partner in the firm on the following terms:

1. Lakhan is to Bring in Rs.1,00,000 as his capital. He is to be given 3<sup>rd</sup> share in future profits.
2. Goodwill of the firm to be raised at 30,000. It was decided that goodwill should not appear in the books of the new firm.
3. Furniture to be depreciated by 10% stock was valued of Rs. 70,500.

Prepare :

1. Profit and Loss A/c
2. Partners Cap A/c
3. Balance sheet of the New firm.

OR

Q.3 Following is the balance sheet of Salman, Sharukh and Aamir, who shared profits and losses in the ratio of 5:3:2 respectively: 10

Balance Sheet as on 31<sup>st</sup> March, 2013

Liabilities	Amt (Rs.)	Assets	Amt (Rs.)
Capital		Land Building	2,50,000
Salman	2,00,000	Plant & Machinery	70,000
Sharukh	1,50,000	Furniture	20,000
Aamir	1,00,000	Sundry Debtors	90,000
Reserve fund	50,000	Stock	56,500
Sundry Creditors	42,800	Bills Receivable	7,400
Bills payable	6,000	Cash in hand	3,700
		Cash in bank	51,200
	5,48,800		5,48,800

Aamir retired on 31<sup>st</sup> March 2013 on the following terms:

1. Goodwill of the firm was valued at Rs.60,000. It was decided that goodwill should be raised to that extent of Aamir's share only and to be written off immediately.
2. Land & Building to be appreciated by Rs.20,000 stock is revalued at Rs.58,500. Furniture is to be depreciated by 10%.
3. Amount payable to Aamir is to be transferred to her loan A/c. Give Journal Entries in the books of the firm.

Q.4 Kiran made sales of goods worth Rs.40,000 to Karan and received a part payment of Rs.10,000.

On the same date, Kiran drew on Karan a three months bill for Rs.30,000 received the acceptance on the bill and sent the bill to the bank for collection immediately. However, on the due date the bill was dishonoured due to Karan's insolvency and only 50% of the amount due could be recovered from his private estate as the first and final dividend. Give Journal entries and Karan's account in the books of Kiran.

- Q.5 Akbar and Birbal were partners in a firm sharing profits and losses in the ratio of 3:2 respectively their balance sheet as on 31<sup>st</sup> March 2010 was as follows: 10

Balance sheet as on 31<sup>st</sup> March 2010.

Liabilities	Amt (Rs)	Assets	Amt (Rs)
Capital Accounts		Plant & Machinery	40,000
Akbar	60,000	Furniture	12,000
Birbal	40,000	Sundry Debtors	61,000
		Less : R.D.D.	1000
General Reserve	20,000	Stock	28,300
Sundry Creditors	39,700	Bank	19,400
	1,59,700		1,59,700

On the above date, the firm was dissolved and the assets realised were as follows:  
Plant and Machinery Rs.30,000. Sundry debtors Rs.58,000 furniture was taken over by Akbar for Rs.10,000 and stock by Birbal for Rs.27,000.

Sundry Creditors were paid Rs.38,000 in full settlement if their claim. Realisation expenses amounted to Rs.2,000.

**Prepare:** 1.Realisation A/c 2. Partners capital A/c 3. Bank A/c

OR

- Q.5 Century chemical co.ltd made an issue of 60,000 shares of Rs.20 each payable as follows: 10

On application Rs.5 per share

On allotment Rs.5 per share

On first call Rs.4 per share

On second call Rs.3 per share

The company received applications for 60,000 shares of which applications for Rs.5,000 shares were rejected and money refunded.

All the shareholders paid up to second call except one shareholder. MR. Kulkarni the allotted of 100 shares, who did not pay the amount of the second call. Give Journal entries in the books of century chemical co.ltd.

- Q.6 With the help of the balance sheet and Receipts and payments account of Mahindra cultural club Mumbai prepare Income and Expenditure A/c for the year ended 31<sup>st</sup> March 2013 and the Balance sheet as on 01.4.2012 12

Balance sheet as on 01.04.2012

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

Receipts & Payments A/c for the year ended 31.03.2013

Dr.	Amt (Rs)	Payments	Cr. Amt(Rs)
To Balance b/d		By salaries	35,300
Cash in hand	2,400	By furniture	
Cash at bank	34,900	( purchased on 1.10.2011)	10,000
To subscriptions			
2011-12 - 1,000		By General exps.	8,400
2012-13 - 48,000		By printing & stationery	4,200
2013-14 - 2,000	51,000	By drama exps.	10,000
To Donating for Building fund	20,000	By bal c/d	
TO Drama Receipts	28,000	Cash in hand	4,600
		Cash in bank	57,800
	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 Rs.500 as annual subscription.
2. Furniture to be depreciated at 20% p.a.
3. Salaries included Rs.1,300 paid for outstanding salaries for the year 2011-12. Salaries outstanding for the year 2012-13 were Rs.700.

Q.7 Soni and Moni are partners in a firm sharing Profits and Losses in the ratio of 2:3 respectively.

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With the help of the trial balance and adjustment given below. You are required to prepare their Trading Profit and loss.

Account for the year ended 31<sup>st</sup> March, 2013 and the balance sheet as on that date:-

Trial Balance as on 31<sup>st</sup> March, 2013

Debit Balances	Amt (RS)	Credit Balances	Amt (Rs)
Purchases	1,09,000	Sundry Creditors	45,000
Insurance	3700	Sales	1,94,000
Rent, Rates & Taxes	14,600	R.D.D.	2,000
Office expenses	7,300	Commission	5,500
Land & Building	3,00,000	<u>Capital A/c's</u>	
Plant & Machinery	60,000	Soni	2,00,000
Furniture	15,000	Moni	2,50,000
Carriage Inward	3,700	<u>Current A/c</u>	
Sundry debtors	88,000	Soni	3,400
Stock ( as on 01.4.12)	32,800	Moni	9,100
Wages & Salaries	28,600		
Cash in hand	4,700		
Cash at bank	40,200		
Drawing A/cs			
Soni	500		
Moni	1500		
	7,09,600		7,09,600

Adjustments:-

1. Closing stock was valued at Rs.22,600.
2. Purchases Include purchase of furniture of Rs.10,000 made on 1<sup>st</sup> October 2012.
3. Depreciate Land and Building at 10% p.a. Plant and Machinery at 10% p.a. and furniture at 20% p.a.
4. Create R.D.D at 5% on Sundry Debtors.

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