



BOARD QUESTION PAPER : OCTOBER 2015

Time: 3 Hours

Max. Marks: 80

- Q. 1. Attempt any THREE of the following sub-questions:** **[15]**
- (A) Answer the following in 'one' sentence each:** **(5)**
- (1) What is 'bad debt'?
 - (2) In what proportion is general reserve distributed among old partners?
 - (3) Which account is debited on payment of dissolution expenses?
 - (4) Who is 'drawer'?
 - (5) What is 'Statement of Affairs'?
- (B) Write a word/term/phrase which can substitute each of the following statements:** **(5)**
- (1) Excess of income over expenditure of a 'not for profit' concern.
 - (2) Winding up of partnership business.
 - (3) Encashment of the bill before its due date.
 - (4) A system of accounting which is unscientific.
 - (5) A bill drawn in India and made payable in Japan.
- (C) Select the most appropriate alternative from those given below and rewrite the statements:** **(5)**
- (1) The gross profit is transferred to _____ account.

(A) Trading	(B) Profit and Loss
(C) Capital	(D) Current
 - (2) A, B and C are partners sharing profit in the ratio of 5 : 3 : 2. If B retires, then the new ratio will be _____.

(A) 5 : 2	(B) 5 : 3
(C) 3 : 2	(D) 1 : 1
 - (3) If shares are issued at their face value, it is called as issued at _____.

(A) premium	(B) discount
(C) par	(D) none of these
 - (4) The bill drawn on 12th June, 2013 at two months, would be payable on _____.

(A) 12 th August, 2013	(B) 14 th August, 2013
(C) 15 th August, 2013	(D) 16 th August, 2013
 - (5) From financial statement analysis, the creditors are interested to know _____.

(A) liquidity	(B) profit
(C) sale	(D) share capital
- (D) State whether the following statements are TRUE or FALSE:** **(5)**
- (1) Closing stock is always valued at market price.
 - (2) Receipts and Payments Account is a real account.
 - (3) Shares are issued for cash only.
 - (4) A bill of exchange can be endorsed only once.
 - (5) Financial statements include only balance sheet.
- (E) Prepare a format of a Bill of Exchange from the following information:** **(5)**
- (1) Drawer – Krishna Hake
104, Mondha Road,
Ambajogai.
 - (2) Drawee – Rahul Kukare,
Sister Colony, Chandrapur.



- (3) Payee – Rajvardhan patil
Nashik.
(4) Amount of bill – ₹ 15,555
(5) Period of bill – 90 days
(6) Date of bill – 23rd August, 2013
(7) Date of acceptance – 25th August, 2013

Q. 2. Shri Rajesh keeps his books by Single Entry Method. Following are the details of his business:

[8]

Particulars	1.04.2012 (₹)	31.03.2013 (₹)
Cash in hand	10,000	16,000
Cash at bank	20,000	36,000
Stock	16,000	24,000
Furniture	18,000	18,000
Plant and Machinery	60,000	90,000
Creditors	15,000	18,000
Debtors	24,000	30,000

During the year Shri Rajesh has withdrawn ₹ 10,000 for his private purpose and taken goods of ₹ 2,000 for household use. On 1st October 2012, he sold his household furniture for ₹ 2,000 and deposited the same amount in the business bank account. Provide depreciation on Machinery at 10 % p.a. (assuming additions were made on 1st October, 2012) and furniture at 5% p.a.

Prepare: Opening and closing statement of affairs and Statement of profit or loss for the year ended 31st March, 2013.

OR

- (A) State any four limitations of analysis of financial statements.
(B) Explain Return On Investment (ROI).

(4)

(4)

Q. 3. Ram and Krishna were partners sharing profits and losses in the proportion of $\frac{2}{3}$ and $\frac{1}{3}$ respectively.

Their Balance Sheet is as follows:

[10]

Balance Sheet as on 31st March, 2013

Liabilities	Amount ₹	Amount ₹	Particulars	Amount ₹	Amount ₹
Capital A/c's			Building		1,00,000
Ram	96,000		Furniture		30,000
Krishna	64,000	1,60,000	Sundry debtors	63,000	
General reserve		18,000	Less : R.D.D.	3,000	60,000
Profit and loss A/c		6,000	Stock		84,000
Sundry creditors		80,000	Cash		16,000
Ram's loan		26,000			
		2,90,000			2,90,000

On 1st April, 2013, Hari is admitted in the partnership on the following terms:

- (1) Hari should bring in cash of ₹ 48,000 as capital for 1/5th share in future profit.
(2) Goodwill was raised in the books of the firm for ₹ 18,000.
(3) Building is revalued at ₹ 1,12,000 and the value of stock to be reduced by ₹ 6,000.
(4) Reserve for doubtful debts be maintained at ₹ 18,00.
(5) Ram's Loan is to be repaid.

Prepare: Revaluation account, Capital accounts of partners and Balance sheet of the new firm.

OR



Following is the Balance Sheet of the firm of Sonu, Monu and Piyu who share profits and losses in the ratio of their capital:

Balance Sheet as on 31st March, 2013

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital A/cs:		Plant and Machinery	20,000
<i>Sonu</i>	50,000	Land and Building	55,000
<i>Monu</i>	20,000	Stock	12,000
<i>Piyu</i>	30,000	Debtors	12,000
Creditors	15,000	<i>Less: R.D.D.</i>	<u> -1,000</u>
		Cash	17,000
	1,15,000		1,15,000

Piyu retires from the business on 31st March, 2013 and the following adjustments were agreed:

- (1) The stock is to be valued at 92% of its book value.
- (2) R.D.D. is to be maintained at 10% on debtors.
- (3) The value of Land and Building is to be appreciated by 20%.
- (4) The goodwill of the firm be fixed at ₹ 12,000.
Piyu's share in the same be adjusted in the account of continuing partners in gain ratio.
- (5) The entire capital of the new firm be fixed at ₹ 1,60,000 between Sonu and Monu in their new profit sharing ratio which is fixed at 3 : 1 by making adjustment for difference in cash and amount payable to Piyu paid in cash.

Prepare: Profit and Loss Adjustment Account, Partners' Capital Accounts and Balance Sheet after retirement of Piyu.

Q. 4. Sukhdev sold goods to Namdev worth ₹ 30,000 on 1st March, 2013. [10]

Namdev accepted a bill for three months, drawn by Sukhdev on 1st March, 2013.

Namdev requested on 21st May, 2013 to Sukhdev to receive ₹ 10,000 and to draw a new bill for the balance for two months. Sukhdev agreed on condition that interest at 12% p.a. for two months is to be provided.

Sukhdev then drew a new bill for balance amount plus interest at 12% p.a. for two months. Namdev accepted the new bill. On due date the new bill was honoured.

Give Journal Entries in the books of Sukhdev.

Q. 5. Jay, Ajay and Vijay were partners sharing profits and losses in the proportion of 2 : 2 : 1. Following is their Balance Sheet as on 31-03-2013. [10]

Balance Sheet as on 31st March, 2013

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital A/cs:		Machinery	50,000
<i>Jay</i>	60,000	Stock	20,000
<i>Ajay</i>	20,000	Debtors	55,000
<i>Vijay</i>	20,000	<i>Less: R.D.D.</i>	<u> 3,000</u>
General reserve	6,000	Investments	24,000
Creditors	40,000	Profit and Loss A/c.	18,000
Jay's loan A/c	8,000	Bank	4,000
Bills payable	14,000		
	1,68,000		1,68,000

On the above date the partners decided to dissolve the firm.

- (1) Assets were realised as – Machinery ₹ 45,000, Stock ₹ 18,000, Investment ₹ 21,000, Debtors ₹ 45,000.
- (2) Dissolution expenses were ₹ 3,000.



(3) Goodwill of the firm realised ₹ 24,000.

Prepare:

- (1) Realisation account.
- (2) Partners' capital account.
- (3) Bank account.

OR

Yogeshwari Co. Ltd., Ambajogai made an issue of 20,000 equity shares of ₹ 20 each, payable as follows :

Application ₹ 5 per share, Allotment ₹ 10 per share, First call ₹ 3 per share, Second and final call ₹ 2 per share.

The company received applications for 25,000 shares of which application for 5,000 shares were rejected and money refunded. All the shareholders paid up to second and final call, except Dhiraj, the allottee of 200 shares who failed to pay the final call.

Pass journal entries in the books of Yogeshwari Co.Ltd., Ambajogai.

Q. 6. Following is the balance sheet as on 1.4.2012 and receipts and payments accounts of Mahakavi Kalidas Library, Nashik. Balance Sheet as on 31st March, 2013.

Balance Sheet as on 01.04.2012

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital Fund	6,90,000	Furniture	72,500
Expenses due	7,000	Books	5,51,000
		Investments in securities	50,000
		Cash in Hand	8,500
		Cash in Bank	15,000
	6,97,000		6,97,000

Receipts and Payments for the year ending 31st March, 2013

Receipts	Amount (₹)	Payments	Amount (₹)
To Balance b/d		By Electricity charges	6,980
Cash in hand	8,500	By Postage and Telegram	6,100
Cash in bank	15,000	By Purchase of books	80,000
To member's Subscriptions	1,80,000	By Payments of expenses due	7,000
To Entrance fees	25,000	By Sundry Expenses	10,500
To Sales of old newspapers	1,500	By investment in securities	1,00,000
To Hire of lecture hall	18,000	By Furniture	28,000
		By Balance c/d	
		Cash in hand	6,420
To Interest on securities	4,000	Cash in bank	7,000
	2,52,000		2,52,000

Adjustments:

1. During the current year, furniture was purchased on 1.10.2012. Depreciate furniture @ 10% p.a.
2. Depreciate books by ₹ 1,00,000.
3. Membership subscription received during the year includes ₹ 15,000, for the year 2013-14 and ₹ 7,500, are outstanding for current year.
4. Capitalise half (1/2) of the entrance fees.

Prepare: Income and Expenditure account for the year ended 31st March, 2013 and Balance Sheet as on 31st March, 2013.



Q. 7. Satish and Pradeep are partners in a partnership firm, sharing Profits and Losses equally. From the following Trail Balance and Adjustmetns given below your are required to prepare Trading and Profit and Loss Account for the year ended 31st March, 2013 and Balance Sheet as on that date.

Balance Sheet as on 31st March, 2013

Debit Balance	Amount (₹)	Credit Balances	Amount (₹)
Purchases	2,20,000	Partners' capital	
Sundry Debtors	45,000	Satish	1,20,000
Discount	4,000	Pradeep	90,000
Opening Stock	25,000	Sales	4,30,000
Wages and Salaries	23,000	Sundry Creditors	85,000
Manufacturing expense	25,500	Discount	3,500
Factory Building	1,75,000		
Plant and Machinery	75,000		
Advertisement (for 2 yrs w.e.f. 1.1.13)	10,000		
Salary and Wages	45,000		
Cash in hand	15,000		
10% Govt. Bonds (Purchased on 01.07.2012)	60,000		
Warehouse Rent	6,000		
	7,28,500		7,28,500

Adustments:

1. Closing stock was valued at market price at ₹ 92,000, which is 15% above its cost price.
2. Depreciate machinery at 10% p.a.
3. Outstanding wages were ₹ 2,500.
4. Maintain R.D.D. at 5% on sundry debtors.