

Book-Keeping & Accountancy

Time : 3 Hrs.

March - 2009

Marks : 100

Q. 1. Attempt any FOUR of the following :

(A) Answer in 'One' sentence each :

(5)

- (1) What is Statement of Profit or Loss ?
- (2) What is Reducing Balance Method ?
- (3) What are the Methods of Valuation of Goodwill ?
- (4) What do you mean by Debit balance of Joint venture account ?
- (5) What do you mean by Discounting of Bill ?

(B) Write the word / term / phrase which can substitute each of the following statements :

(5)

- (1) The balance which can not be recovered from the debtors.
- (2) An accounting system where rules of debit and credit are not followed.
- (3) Money value of business reputation.
- (4) A person entered into a joint venture.
- (5) The Gifts received from legal representative as per the will fo a deceased person.

Q.

20

(C) Match the following pairs :

(5)

Group 'A'	Group 'B'
(1) Opening stock	(a) Amount of depreciation remains constant
(2) Fixed instalment method	(b) Trading account
(3) Software	(c) Revenue income
(4) Joint bank account	(d) Capital income
(5) Subscription	(e) Balance sheet
	(f) Converting symbolic language
	(g) Separate set of books
	(h) Utility programme

(D) Select the most appropriate alternative from those given below :

(5)

- (1) Interest on the capital of Partner is debited to
(a) Trading account (b) Profit and loss account (c) Partner's capital account (d) Partner's current account
- (2) Computer is a/an
(a) Mechanical device (b) Automation device (c) Electronic device (d) Electric device
- (3) Joint venture is a
(a) Trading concern (b) Non-trading concern (c) Religious concern (d) Public concern
- (4) A donation received for a specific purpose is a
(a) Capital Receipt (b) Revenue Receipt (c) Liability (d) Asset
- (5) A bill drawn and accepted on 12th June 2007 for two months will be due for payment on
(a) 12th August, 2007 (b) 15th August, 2007 (c) 16th August, 2007 (d) 14th August, 2007

(E) State whether True / False (with reasons) :

(5)

- (1) Non-commercial concerns with 'no profit' base prepare income and expenditure account in place of profit and loss account.
- (2) Noting charges are borne by Drawer.

(F) From the following details prepare a format of bill of exchange.

(5)

- (1) Drawer : Mrs. Archana Patil, Vikram Nagar, Patan.
(2) Drawee : Mrs. Nalini Maniyar, Jalaram Krupa, Mul.
(3) Payee : Mrs. Sheela Ghatkar, Mangal Yog, CIDCO, Aurangabad.
(4) Amount : Rs. 17, 575.
(5) Period : 60 days.
(6) Date of bill : 28th December, 2007
(7) Accepted on : 2nd January, 2008
(8) Accepted for : 90 days.

Q. 2. M/s J.K. Company, Maroda, purchase machinery for Rs. 80,060 on 1st April, 2002.

(10)

Company purchased additional machinery for Rs. 36,000 on 1st October, 2003.

The Company charges depreciation @ 10% p.a. on the original cost.

The financial year of the Company ends on 31st March each year.

On 30th September 2004 a part of the machinery, original cost of which was Rs. 30,000 on 1st April 2002, was sold by the company for Rs. 22,000.

Prepare Machinery Account for 3 years and give Journal Entries for the year 2002-2003.

OR

Bank balance	1,900	2,100
Debtors	43,000	35,000
Creditors	18,000	14,900

Mr. Raj invested Rs. 4,000 in the business.

Also he had withdrawn Rs. 15,000 for his private expenses from business.

Rs. 500 to be provided for bad debts.

Depreciate plant and machinery @ 5% and furniture @ 5%.

Prepare -

- (1) Statement of Affairs as on 31.3.2006.
- (2) Statement of Affairs as on 31.3.2007.
- (3) Statement of Profit and Loss for the year ended on 31.3.2007.

Q. 6. The following is the Receipts and Payments Account of Modern Sports Club, Satara, for year ended on 31st March, 2007. (16)

**Receipts and Payments Account for the year ended
on 31st March 2007**

Dr.

Cr.

Receipts	Amount Rs.	Payments	Amount Rs.
To Balance b/d	1,490	By Upkeep of Garden	9,500
To Subscription	13,600	By Wages	2,360
To Entrance fees	520	By Salary	7,000
To Interest Investments	840	By Ground rent	210
To Proceeds from Matches	5,180	By Printing	930
To Life member fees	5,000	By Postage	190
		By Bank balance	5,000
		By Balance c/d	1,440
	26,630		26,630

Adjustments :

- (a) Ledger balances of the Club as on 31.3.2006 were :
Capital fund Rs. 66,430, Club house and ground Rs. 40,000, Investments Rs. 18,640, Furniture Rs. 6,400, Outstanding subscription Rs. 600.
- (b) Printing includes Rs. 200, Upkeep of garden includes Rs. 500 and Subscription includes Rs. 400 for the previous year.
- (c) Entrance fees are to be capitalised.
- (d) The Rotary Club of Satara owed Rs. 210 for the use of club hall.
- (e) Provide 10% depreciation on furniture.
- (f) Subscriptions outstanding for the current year were Rs. 1,000.

Prepare -

Income and Expenditure Account for the year ended 31st March, 2007 and Balance Sheet as on date.

Q. 7. From the following Trial Balance and Adjustments of Kumbhar and Maroti you are required to prepare Trading and Profit and Loss Account for the year ended on 31st March, 2005 and Balance Sheet as on that date. (20)

Trial Balance as on 31st March, 2005

Cr.

Particulars	Amount Rs.	Particulars	Amount Rs.
Stock (1.4.2004)	35,000	Sale	3,30,000
Salary and wages	4,200	Discount	4,000
Cash	10,000	Creditors	20,000
Purchases	2,25,200	Bank overdraft	10,000
Sundry expenses	13,600	Interest on Investment	8,000
Wages	12,000	Capitals :	
Bills Receivable	6,000	Kumbhar	60,000
Travelling Expenses	2,000	Maroti	40,000
Bad debts	3,000		
Factory expenses	8,000		
Commission	4,000		
Investments	20,000		
Debtors	40,000		
Tools and Equipments	6,000		
Furniture	12,000		
Goodwill	21,000		
Building	50,000		
	4,72,000		4,72,000

Adjustments :

- (1) Partners share Profits and Losses in the ratio of their Capitals.
- (2) Closing stock is valued at Cost Price Rs. 40,000 and at Market Price Rs. 45,000.
- (3) Kumbhar has withdrawn goods worth Rs. 1,200 for his own use, but no entry is made in books.
- (4) Uninsured goods worth Rs. 12,000 were lost by fire.
- (5) Rs. 450 are to be written off as bad debts.
- (6) Unpaid Expenses : Salary and Wages Rs. 800; Rent Rs. 1,200.
- (7) Depreciate building @ 7½% p.a.