

ROLL NO. _____

DAH

Time : 3 Hours

(Printed pages 7)

Max. Marks: 100

1. Attempt any FOUR of the following:- **20**

(A) Answer in one sentence only:- **5**

1. What is retirement of the bill?
2. What are indirect expenses?
3. What is joint bank account?
4. What is deficit?
5. What is computer hardware?

(B) Write the word/term/phrase which can substitute each of the following statements:- **5**

1. The capacity in which the bank acts when the bill is sent to bank for collection.
2. The method of depreciation which is suitable when estimated scrap value is zero.
3. Revenue expense which is written off over a period of more than one year.
4. Lumpsum payment made by a member of 'Not for profit' organisation in lieu of annual subscription.
5. An asset that does not have physical existence.

(C) Match the following pairs:- **5**

- | ‘A’ | ‘B’ |
|---------------------------------|--------------------------------|
| 1. Statement of Affairs | a. Computer |
| 2. Income & Expenditure Account | b. Bill of Exchange |
| 3. Notary Public | c. Joint Venture |
| 4. CPU | d. Abnormal Profit |
| 5. Profit above normal profit | e. Single Entry |
| | f. Double entry |
| | g. Not for profit organisation |
| | h. Super Profit |

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

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1. Depreciation is charged on _____ assets.
 - (a) Fixed
 - (b) Current
 - (c) Liquid
 - (d) Non Liquid

2. Unused material taken over by the co-venturer is credited to _____.
 - (a) Co-venturer's Account
 - (b) Joint Venture Account
 - (c) Material Account
 - (d) Goods Account

3. Indian Partnership Act is in force since _____.
 - (a) 1956
 - (b) 1947
 - (c) 1961
 - (d) 1932

4. A bill is due for payment on Saturday, 30th September which turns out to be an emergency holiday. So, it is required to be honoured on _____.
 - (a) 29th September
 - (b) 1st October
 - (c) 2nd October
 - (d) 3rd October

5. _____ is one time collection from the member of 'Not for profit' organisation .
 - (a) Entrance Fee
 - (b) Subscription
 - (c) Interest
 - (d) Donation

(E) State whether True or False with reasons:-

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1. Nominal Accounts do not appear in Balance Sheet.
2. Drawer bears noting charges.

(F) From the following details prepare the format of Bill of Exchange:-

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Drawer : Mr.Kaustubh Kale, Kumar Road, Kurla.
Drawee : Mr.Mahesh Mistry, Masti Road, Manmad.
Payee : Mr.Paresh Parkar, Pawan Road, Pandharpur.
Date of bill : 27th July 2010
Date of acceptance : 29th July 2010
Duration : 2 Months
Amount : ` 25,700

2. On 1st Oct 2007 KBC Ltd. purchased machinery costing ` 24,000 & paid ` 1,000 on its installation. Additions costing ` 10,000 were made on 1st July 2008 .

On 30th September 2009, machinery which had cost of ` 5,000 on 1st October 2007 was sold for ` 1,200.

Books were closed on 31st March each year and depreciation was provided at 10% p.a. on the reducing balance.

Prepare Machinery Account and Depreciation Account for the years 2007-08, 2008-09 and 2009-10.

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OR

2. (A) Calculate goodwill at 5 years' purchase of super profits from the following details:-

- Capital employed ` 2,00,000.
- Normal Rate of Return 10% of capital employed.
- Profits and losses of the firm over last 5 years:-

2005-06	` 30,000 Profit
2006-07	` 4,000 Loss
2007-08	` 24,000 Profit
2008-09	` 40,000 Profit
2009-10	` 60,000 Profit

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2. (B) Write a short note on 'Accounting Software'.

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3. Viju accepted a bill of ₹ 6,000 drawn by Sanju payable after 3 months. Sanju discounted it at 12% p.a. On due date, it was dishonoured. Viju then paid ₹ 1,000 in cash along with noting charges ₹ 40 & interest on the remaining amount at 9% p.a. for 2 months and accepted a bill for the amount due. This bill was retired by him at rebate of ₹ 50.

You are required to pass necessary journal entries in the books of Sanju and prepare Sanju's Account in the ledger of Viju. **12**

OR

3. Journalise the following transactions in the books of Harsha :-

1. Disha's acceptance of ₹ 7,000 to Harsha which was retained, was dishonoured due to Disha's insolvency. Subsequently, 30% of the amount due was recovered in settlement.
2. Varsha's acceptance of ₹ 2,000 to Harsha which was endorsed to Nisha was dishonoured. Noting Charges ₹ 30.
3. Usha's acceptance of ₹ 6,000 to Harsha which was sent to bank for collection was dishonoured. Noting Charges ₹ 40.
4. Asha's acceptance of ₹ 1,000 to Harsha was renewed by accepting a new bill for the amount due including interest at 8% p.a. for 3 months. **12**

4. Mr.BK & Mr.OC entered in to joint venture to consign 10,000 CDs to Mr.SP and share profits and losses in the ratio 2:1.

Mr.BK supplied 6,000 CDs at ₹ 5 each & spent ₹ 2,000 for transport.

Mr.OC supplied 4,000 CDs at ₹ 4 each & spent ₹ 1,000 for transport.

Mr.SP accepted a bill of ₹ 50,000 drawn by Mr.BK as an advance which was discounted at discount of ₹ 1,000 & discount was charged to joint venture.

Mr.SP sold 9,500 CDs at ₹ 10 each & took over the remaining at ₹ 8 each. He incurred expenses of ₹ 500 & was entitled to commission at 10% on sales.

Mr.SP remitted ₹ 20,000 to Mr.BK by cheque & balance to Mr.OC by a bank draft.

Co-venturers settled accounts.
 Prepare Joint Venture Account, Mr.OC's Account & Mr.SP's Account in the books
 of Mr.BK. 12

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5. Jacob did not keep proper record of his business transactions but could provide the following information:-

Particulars	As on 1.4.2009	As on 31.3.2010
Debtors	40,000	52,000
Creditors	30,000	35,000
Fixed Assets	50,000	50,000
Stock	20,000	25,000
Cash/Bank	10,000	20,000
Loan to Mihir	8,000	4,000
Prepaid Expenses	2,000	3,000

Additional Information:-

Bad Debts ` 2,000, Depreciate fixed assets at 5% p.a.

As on 31.3.2010 Outstanding Expenses were ` 1,000 & Interest Receivable on loan was ` 400.

Drawings during the year were ` 6,000 & Interest on capital was to be provided at 10% p.a.

You are required to prepare:-

1. Statement of Affairs as on 1st April 2009
2. Statement of Affairs as on 31st March 2010
3. Statement of Profit/Loss for the year ended on 31st March 2010 10

6. Following is the Receipt and Payment Account of Modern School for the year ended on 31.3.2010:-

Receipts	`	Payments	`
To Balance b/d:		By Balance b/d:	
Cash	3,000	Bank	2,000

To Fees Collection :		By Investments (1.4.09)	30,000
2008-09	6,000	By Rent	13,000
2009-10	88,000	By Salary	20,000
2010-11	2,000	By Stationery	4,500
To Admission Fees	8,000	By Electricity	3,500
To Donations	20,000	By Telephone Charges	9,000
To Sale of Furniture on 1.4.09	1,000	By Prizes	6,000
To Scrap Sale	1,000	By Annual & Sports Day	
To Govt. grant for salary	20,000	Expenses	36,000
To Sponsorship fee for		By Balance c/d :	
Annual & Sports Day	40,000	Cash	6,000
		Bank	59,000
	1,89,000		1,89,000

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P.T.O.

Additional Information:-

1. Fee Receivable as on 31.3.2010 was ` 5,000.
2. Half of the admission fees were to be treated income.
3. Outstanding Telephone Charges as on 31.3.2010 were ` 1,000.
4. Depreciate Furniture at 10% p.a.
5. Book value of furniture sold was ` 3,000 on 1.4.2009.
6. Balances as on 1.4.2009 were :-
Furniture ` 45,000, Outstanding Rent ` 1,000, Capital Fund ` 51,000.

You are required to prepare Income & Expenditure Account for the year ended on 31st March 2010 and Balance Sheet as on that date. **16**

7. Following is the trial balance of Star and Sony who shared profits and losses in the ratio 2:1:-

Trial Balance as on 31st March 2010

Particulars	Debit `	Particulars	Credit `
Salary	26,500	Capital: Star	90,000
Equipments	68,000	Sony	60,000
Furniture	40,000	Sales	2,56,000
Stock on 1.4.09	23,000	Creditors	12,000
Sales Return	3,000	Purchase Returns	2,000
Purchases	1,20,000	Discount	700
Advertisement		Outstanding Salary	1,200
(For 3 years from 1.10.09)	9,000	R.D.D.	1,100
Carriage Inward	3,800		
Debtors	24,000		
Telephone Charges	7,200		

Office Electricity	8,400		
Octroi	3,600		
Drawings : Star	14,000		
Sony	15,000		
Cash in hand	11,500		
Cash at bank	33,200		
Stationery	8,300		
Bad Debts	2,000		
Trade Expenses	2,500		
Total	4,23,000	Total	4,23,000

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Adjustments:-

1. Stock on 31.3.2010 was valued at ` 38,500.
2. Write off ` 1,000 as bad debts & maintain R.D.D. at 10% on debtors.
3. Depreciate Equipments at 20% p.a. and Furniture at 10% p.a.
4. A credit sale of ` 7,000 on 27.3.10 remained unrecorded.
5. Interest on Capital was to be allowed at 5% p.a.
6. Repairs to Equipment ` 8,000 were wrongly debited to Equipments Account.

You are required to prepare Trading and Profit & Loss Account for the year ended on 31st March 2010 and Balance Sheet as on that date. **20**

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