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Solution of Book keeping
For the year March 2019 held on 06/03/2019

Q.1

A. Answer in one sentence:

1. **Balance Sheet** It is a statement, showing financial position of the business on a particular date.
2. After the Retirement/Death of partner, Retiring/Deceased partners share is added to Continuing partner's share, such proportion is called as **Gain ration.**
3. The capital which is stated in the capital clause of the Memorandum of Association is treated as **Authorized Capital**.
4. The maker of a bill of exchange is called the **Drawer**
5. In absence of Balance Sheet, the statement which shows financial position of the business is known as **Statement of Affairs.**

B. Write a word / term / phrase

1. **Partnership Firm**
2. **Retirement of Bill**
3. **Debentures**
4. **Foreign Bill**
5. **Analysis of Financial statement**

C. Select the most appropriate alternative

1. **Credit 2. Capital 3. Goodwill 4. Three 5. Shown as Subtraction.**

D. True or False

1. **False, 2. True, 3. False , 4. True, 5. True.**

E. Format of Bills of Exchange

BILLS OF EXCHANGE

STAMP
Rs. 12995/-

Shri Manohar Ramchandra Patil,
208, Mahatma Gandhi Road,
Mumbai - 400018
Date: 10th January, 2017

Four months after date pay to Sonali S. Pandit, Ratnagiri or His order, the sum of Rupees Twelve thousand Nine Hundred & Ninety Five only for the value received.

To,	Accepted for Rs. 12900/only	Sd/-
Shri. Ravindra K. Sankpal	Sd/-	Shri Manohar
Main Road Sawantwadi,	(Shri. Ravindra K. Sankpal)	Ramchandra Patil.
Sindhudurg.	Date: 13th January, 2017	

Q.2 Solution of Single Entry

In the books of Shri Pramod
Opening & Closing Statement of Affairs

LIABILITIES	1.4.2015	31.03.2016	Assets	1.4.2015	31.03.2016
Closing Capital (Balancing figure)	**532000**	**784000**	Cash in hand	40000	64000
			Cash at Bank	80000	144000
			Stock	64000	96000
Creditors	60000	72000	Debtors	96000	120000
			Furniture	72000	72000
			Plant & Machinery	240000	360000
Total	**592000**	**856000**	**Total**	**592000**	**856000**

In the books of Shri Pramod
Statement Showing Profit or Loss for the year ended 31.03.2016

Particulars	Amount	Amount
Closing Capital		7,84,000
Add:		
Drawings in Cash	40,000	
In kind	8,000	48,000
		8,32,000
Less:		
Opening Capital	5,32,000	
Additional Capital	8,000	(5,40,000)
Profit Before Adjustment		2,92,000
Less:		
Depreciation on		
Plant & Machinery		
(2,40,000 * 10%) = 24000		
(1,20,000 * 10% * 6/12) = 6000	30,000	
Furniture	3,600	(33,600)
Net profit for the year 2016		**2,58,400**

OR

Q.2
(A) Pg.no. 380 of Govt.text Book
(B) Pg.no. 376 of Govt. text Book

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Q.3 (A) Admission of partner in a firm

In the Books of Harsha and Varsha

Dr. Partners Capital Account Cr.

Particulars	Harsha	Varsha	Asha	Particulars	Harsha	Varsha	Asha
				By Balance b/d	2,80,000	2,80,000	----
To Loan A/c	1,82,440	2,14,960	-----	By Bank	---	----	1,00,000
				By Goodwill A/c (3:2)	48,000	32,000	----
To Balance c/d	1,80,000	1,20,000	100000	By Profit & Loss Adjustment A/c	34,440	22,960	----
Total	**162800**	**134400**	**120000**	**Total**	**162800**	**134400**	**120000**

Dr. Profit and Loss Adjustment Account Cr.

Particulars	Amount	Particulars	Amount
To RDD A/c	15,000	By Stock A/c	40,000
To Furniture A/c	7,600	By Land & Building A/c	40,000
To Partners Capital a/c			
Harsha 34,440			
Varsha 22,960	**57,400**		
Total	**80,000**	**Total**	**80,000**

BALANCESHEET AS ON 1st April 2016 (After Admission)

LIABILITIES		Amount	ASSETS		Amount
Partners Capital			Land & Building	2,00,000	
Harsha	1,80,000		Add: Revaluation	40,000	2,40,000
Varsha	1,20,000		Furniture	76,000	
Asha	1,00,000	4,00,000	Less: Revaluation	7,600	68,400
			Debtors	3,00,000	
Creditors		4,00,000	- RDD	(15,000)	2,85,000
Partners Loan			Stock	1,60,000	
Harsha	1,82,440		Add: Revaluation	40,000	2,00,000
Varsha	2,14,960	3,97,400			
			Cash at Bank		4,04,000
Total		**11,97,400**	**Total**		**11,97,400**

Working Note : New ratio
Remaining Share: 1 – 1/4 =3/4

New ratio = Old ratio * RS
Harsha = 3/5 * 3/4 = 9/20
Varsha = 2/5 * 3/4 = 6/20
Asha = 5/5 * 3/4 = 5/20
NR = 9:6:5

Q.3 (B) Retirement of partner

In the Books of Dhishree,Sonam & Simran

Dr. Partners Capital Account Cr.

Particulars	Dhishree	Sonam	Simran	Particulars	Dhishree	Sonam	Simran
To Simran A/c	9,000	1,800	-----	By Balance b/d	1,50,000	60,000	90,000
				By Dhishree A/c	----	-----	9,000
To Bank	----	-----	109656	By Sonam A/c (5:1)			1,800
				By Profit & Loss	14,760	5,904	8,856
To Balance c/d	3,60,000	1,20,000	----	Adjustment A/c			
				By Bank	2,04,240	55,896	----
Total	**3,69,000**	**1,21,800**	**1,09,656**	**Total**	**1,64,760**	**65,904**	**1,09,656**

Dr. Profit and Loss Adjustment Account Cr.

Particulars		Amount	Particulars	Amount
To RDD A/c		600	By Land & Building A/c	33,000
To Stock A/c		2,880		
To Partners Capital a/c				
Dhishree	**14760**			
Sonam	**5904**	29,520		
Simran	**8856**			
Total		**33,000**	**Total**	**33,000**

BALANCESHEET AS ON 31st March 2016 (After Retirement)

LIABILITIES		Amount	ASSETS		Amount
Partners Capital			Land & Building	1,65,000	
Dhishree	3,60,000		Add: Revaluation	33,000	1,98,000
Sonam	1,20,000	4,80,000	Plant & Machinery		60,000
			Debtors	36,000	
Creditors		45,000	- RDD	(3,600)	32,400
			Stock	36,000	
			Add: Revaluation	2,880	33,120
			Cash at Bank	51,000	
			Add: Dhishree Cap.	2,04,240	
			Add: Sonam Cap	55,896	
			Less: Simran Cap.	(1,09,656)	2,01,480
Total		**5,25,000**	**Total**		**5,25,000**

Working Note : Gain ratio

Gain ratio = New Ratio - Old ratio

Dhishree = 3/4 - 5/10 = 10/40

Sonam = 1/4 - 2/10 = 2/40

10:2 or 5:1

Q.4 Bills Of Exchange

In the Books of Sunil (Drawer)

Date	Sr. No.	Particulars	L/F	Debit Amt	Credit Amt
?	1	Bills Receivable A/c........ Dr Bank A/c ......Dr To Pooja A/c (Being Bills is drawn and accepted by Pooja for 3 months)		42,000 8,000 ---	--- --- 50,000
?	2	Prema A/c.......Dr To Bills Receivable A/c (Being Bill is endorsed on a same date)		42,000 ----	---- 42,000
?	3	Pooja A/c.....Dr To Prema A/c (Being Endorsed bill is dishonored)		42,350 ----	---- 42,350
?	4	Pooja A/c...... Dr To Interest A/c (Being Interest is charged on new Bill 1 months on balance amount)		1,200 ----	---- 1,200
?	5	Bills Receivable (New) A/c.... Dr To Pooja A/c (Being new bills is drawn and accepted for 1 months along with interest and with Noting Charges)		43,550 ----	---- 43,550
?	6	Bank A/c......Dr To Bills Receivable (New)A/c (Being new bills is honored)		43,550 ----	--- 43,550
		Total		**2,22,650**	**2,22,650**

In the books of Pooja (Drawee)

Dr. **Sunil's Account** **Cr.**

Particulars	Amount	Particulars	Amount
To Bank A/c	8,000	By Balance B/d	50,000
To Bills Payale A/c	42,000	By Bills Payable A/c	42,000
To Bills Payable a/c	43,550	By Noting Charges	350
		By Interest A/c	1,200
Total	**93,550**	**Total**	**93,550**

Q.5 Dissolution of a Firm

In the Books of Ram, Laxman and Bharat

Partners Capital Account

Dr. Particulars	Ram	Laxman	Bharat	Particulars	Ram	Laxman	Bharat Cr.
To P & L A/c	28,800	28,800	14,400	By Balance b/d	2,40,000	80,000	80,000
				By General Reserve (2:2:1)	9,600	9,600	4,800
To Bank A/c	**2,27,200**	**67,200**	**73,600**				
				By Realization A/c (Profit)	6,400	6,400	3,200
Total	**2,56,000**	**96,000**	**88,000**	**Total**	**2,56,000**	**96,000**	**88,000**

Realisation Account

Dr. Particulars		Amount	Particulars		Amount Cr.
To Sundry Assets			By RDD		12,000
Machinery A/c	2,00,000		**By Sundry Liabilities**		
Investment A/c	96,000		Sundry creditors a/c	1,92,000	
Stock A/c	80,000		Bills Payable	56,000	2,48,000
Debtors A/c	2,20,000	5,96,000	**By Bank A/c**		
To Bank A/c			Machinery	1,80,000	
Sundry creditors	1,92,000		Investment	84,000	
Bills Payable	56,000		Stock	72,000	
Realization Exp	12,000	2,60,000	Debtors	1,80,000	
			Goodwill	96,000	6,12,000
To Partners Capital A/c (Profit)					
Ram	**6,400**				
Laxman	**6,400**				
Bharat	**3,200**	16,000			
Total		**8,72,000**	**Total**		**8,72,000**

Bank Account

Dr. Particulars	Amount	Particulars	Amount Cr.
To Balance b/d	16,000	By Realisation A/c	2,60,000
To Realisation A/c	6,12,000	By Ram's Capital A/c	2,27,200
		By Laxman's Capital A/c	67,200
		By Bharat's Capital A/c	73,600
Total	**6,28,000**	**Total**	**6,28,000**

OR

Q.5 B Issue of Shares

In the Books of Bandekar Industries Co. Ltd

Date	Sr .No.	Particulars	L/F	Debit Amt	Credit Amt
?	1	Bank A/c……… Dr To Equity Share Application A/c (Being 48000 application is received @ 20per share)		9,60,000 ---	--- 9,60,000
?	2	Equity Share Application A/c …….. Dr To Equity Share Capital A/c (Being 48000 application is accepted @ 20per share)		9,60,000 ----	---- 9,60,000
?	3	Equity Share Allotment A/c …….Dr To Equity Share Capital A/c (Being allotment money is due on 48,000 shares @30 per share)		14,40,000 ----	---- 14,40,000
?	4	Bank A/c …..Dr To Equity Share Allotment A/c (Being Allotment money is received in full)		14,40,000 ----	---- 14,40,000
?	5	Equity Share First Call A/c …….Dr To Equity Share Capital A/c (Being 1st Call money is due on 48,000 shares @25 per share)		12,00,000 ----	---- 12,00,000
?	6	Bank A/c …..Dr To Equity Share First Call A/c (Being 1st Call money is received)		12,00,000 ----	--- 12,00,000
?	7	Equity Share Second Call A/c …….Dr To Equity Share Capital A/c (Being 2nd Call money is due on 48000 shares @25 per share)		12,00,000 ----	----- 12,00,000
?	8	Bank A/c …..Dr Calls –in-Arrears A/c….Dr To Equity Share Second Call A/c (Being 2nd Call money is received except from Mr.Ramesh on 1600 shares)		11,60,000 40,000 ----	---- ---- 12,00,000
?	9	Equity Share Capital A/c….Dr To Share Forfeiture A/c To Calls –in-Arrears A/c (Being 1600 shares of Mr. Ramesh is forfeited)		1,60,000 ---- ----	---- 1,20,000 40,000
		Total		**97,60,000**	**97,60,000**

Q.6 NPO

In the Books of Decent Sports Club (Kudal)

Dr. Income and Expenditure Account for the year ended 31st March, 2016 Cr.

Expenditure	Amount	Amount	Income	Amount	Amount
To Salaries & Wages		87,000	By Subscription	2,01,800	
To Office expenses		1,26,000	Less: O/s of 14-15	(34,000)	
To Telephone Charges		12,400	Add: Pre-recd of 15-16	9,000	
			Add: O/s of 15-16	29,000	
To **Sports material**			Less: Pre-recd of 16-17	(10,000)	1,95,800
Opening	44,000	48,000	By Sundry Receipts		2,700
Add: Purchase	52,000		**By Excess of Expenditure over Income (Deficit)**		74,900
Less : Closing	(48,000)				
Total		**2,73,400**	**Total**		**2,73,400**

BALANCESHEET AS ON 31st March, 2016

LIABILITIES	Amount	Amount	ASSETS	Amount	Amount
Capital Fund	9,25,000		Play Ground		8,00,000
Add: Donation	56,000		Furniture		36,000
Add: Admission fees	13,000		Building Fund		
Less: Deficit	(74,900)	9,19,100	Investment		5,00,000
Building fund	5,00,000		Sports Material		48,000
Add: Interest	18,000	5,18,000	O/s Subscription(15-16)		29,000
Pre received Subscription (16-17)		10,000	Cash at Bank		34,100
Total		**14,47,100**	**Total**		**14,47,100**

Q.7 Final Accounts of Partnership

In the Books of M/s Ashok and Sangmesh

Dr. Trading and Profit & Loss Account for the year ended 31st March, 2016 Cr.

Particulars	Amount	Amount	Particulars	Amount	Amount
To Opening stock		1,92,000	By Sales	12,06,400	
To Purchases	7,72,800		Less: Return	(22400)	11,84,000
Less: Return Outward	(36,800)	7,36,000	Inward		
To Wages		96,000	By Goods		16,000
To Carriage		4,000	Distributed as Free		2,24,000
			Sample		
			By Closing Stock		
To Gross Profit c/d		**3,96,000**			
Total		**14,24,000**	**Total**		**14,24,000**
To Salaries	2,24,000		By Gross Profit b/d		3,96,000
Add: Outstanding	8,000	2,32,000			
To Postage &		12,800			
Telegram		3,200			
To Discount		8,000			
To Insurance	---				
To Bad Debts	8,000				
Add: New Bad debts	12,800				
Add: New RDD	(4,000)	16,800			
Less: Old RDD					
To Advertisement		16,000			
To **Depreciation On**					
Plant & Machinery	9600				
Land & Building	35200	44,800			
To Net Profit transfer to Current A/c					
Ashok	**41,600**	**62,400**			
Sangmesh	**20,800**				
Total		**3,96,000**	**Total**		**3,96,000**

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BALANCESHEET AS ON 31st March, 2016

LIABILITIES	Amount	Amount	ASSETS	Amount	Amount
Partners Capital A/c			Plant & Machinery	96,000	
Ashok	2,08,000		Less: Depreciation @10%	9,600	86,400
Add: Net profit	41,600	2,49,600	Land and Building	7,04,000	
			Less: Depreciation @5%	35,200	6,68,800
Sangmesh	1,92,000				
Add: Net profit	20,800	2,12,800			
			Closing Stock		2,24,000
			SundryDebtors	2,64,000	
Bank Overdraft		4,83,200	Less:New Bad Debts	8,000	
Sundry Creditors		2,72,000		2,56,000	
Outstanding salaries		8,000	Less: New RDD @ 5%	(12,800)	2,43,200
			Prepaid Insurance		3,200
Total		**12,25,600**	**Total**		**12,25,600**