



**S.Y.J.C./ V.C.R.**  
**02/10/2019**

**Accounts Test No:- 8      Marks:- 50 Time: 1 ½ Hrs.**  
**Topic:-Admission; Dissolution, Single Entry & NPO**

**Q.1. Select the most appropriate alternative from those given below and rewrite the statement. (10)**

1. Account is debited when unrecorded liability is brought into business.  
(a) Liability                      (b) revaluation                      (c) capital                      (d) current
  
2. The proportion in which old partners make a sacrifice is called \_\_\_\_\_ ratio.  
(a) Capital                      (b) gaining                      (c) sacrifice                      (d) new
  
3. Deficiency of insolvent partners will be suffered by solvent partners in their \_\_\_\_\_ ratio  
(a) Capital ratio                      (b) profit – sharing ratio                      (c) sale ratio                      (d) liquidity ratio
  
4. Assets and liabilities are transferred to Realisation Account at their \_\_\_\_\_ values.  
(a) Market                      (b) purchase                      (c) sale                      (d) book
  
5. All activities of the partnership firm cease (stop) on \_\_\_\_\_ of firm.  
(a) Dissolution                      (b) admission                      (c) retirement                      (d) None of these
  
6. Subscription received by the school for organizing annual function is treated as .....  
(a) income                      (b) liability                      (c) asset                      (d) earned income
  
7. Non trading organisation records summary of all cash transactions in the ..... account.  
(a) Trading                      (b) Profit & Loss  
(c) Receipts and Payments                      (d) Income and Expenditure
  
8. Capitalised receipts as well as capital expenditure are shown in the .....  
(a) profit & loss A/c                      (b) Balance Sheet  
(c) Trading A/c                      (d) Income & Expenditure A/c
  
9. An estimate of assets and liabilities as on a date is called  
(a) balance sheet                      (b) statement of affairs  
(c) statement of capital                      (d) trial balance
  
10. Under single entry system, ..... is prepared to find out net profit or loss.  
(a) Statement of affairs                      (b) Balance Sheet  
(c) Income statement                      (d) Statement of profit or loss

**P.T.O.**

**Q.2.** Mr. Yogesh keeps his books on Single Entry System. From the following particulars, prepare Opening & Closing Statement of Affairs & Statement of Profit & Loss. **(8)**

Particulars	Amount (₹) on 1/4/2013	Amount (₹) on 31/3/2014
Bank balance	36,000	27,000
Cash balance	7,500	9,000
Sundry debtors	90,000	1,20,000
Stock	60,000	90,000
Furniture	9,000	9,000
Machinery	60,000	90,000
Sundry creditors	36,000	60,000
Bills payable	16,500	27,000

**Additional information:-**

1. Mr. Yogesh has withdrawn ₹ 22,500 from the business for his personal use.
2. He has introduced additional capital of ₹ 7,500 in the business on 1<sup>st</sup> January, 2014.
3. Additions to machinery were made on 1<sup>st</sup> January, 2014.
4. Depreciate furniture and machinery @ 10% p.a.
5. Maintain reserve for doubtful debts @ 2% on sundry debtors. & Closing stock is overvalued by 20% in the books of end of the year.

**Q.3.** Shah, Mehta and Patel were partners in a firm sharing profit and losses in the ratio of 2 : 2 : 1 respectively. The balance Sheet as on 31<sup>st</sup> march 2012 was as follows: **(10)**

**Balance Sheet as on 31st December, 2011**

Liabilities	₹	Assets	₹
Sundry Creditors	20,000	Cash at bank	8,000
Bills Payable	5,000	Debtors	16,000
General Reserve	6,000	Less : RDD	<u>1,000</u>
Shah's Loan A/c	16,000	Stock	20,000
<b>Capital Accounts:</b>		Plant & Machinery	30,000
Shah	25,000	Furniture	6,000
Mehta	10,000	Patel Capital A/c	3,000
	<b>82,000</b>		<b>82,000</b>

The firm was dissolved on the above date :

- a. The assets realized as follow :  
Debtors ₹ 9,000 ; Plant & machinery ₹ 26,000 ; Stock ₹ 14,000 and Furniture ₹ 3,000.
- b. The Creditors were paid ₹ 18,000 in full settlement and the bills payable were paid in full.
- c. The realization expenses amounted to ₹ 3,000.
- d. Patel became insolvent and was able to bring in only ₹ 1,800 from his private estate.

**Prepare : 1) Realisation A/c (2) Bank A/c (3) Partner's Capital A/c**

**P.T.O.**

- Q. 4.** Namita and Rupali share profits and losses in the ratio of 3:2 in partnership firm. Their balance sheet as on 31<sup>st</sup> March, 2011 was as follows: **(10)**

**Balance sheet as on 31<sup>st</sup> March, 2011**

Liabilities	Amt. (₹)	Amt. (₹)	Assets	Amt. (₹)	Amt. (₹)
Creditors		25,000	Cash in hand		5,000
Bills Payable		20,000	Bills Receivable		7,600
Bank loan		32,000	Debtors	41,600	
General Reserve		5,000	Less : R.D.D.	<u>1,600</u>	40,000
<b>Capital A/c's</b>			Stock		24,000
Namita	30,000		Furniture		9,400
Rupali	<u>24,000</u>	54,000	Machinery		20,000
			Building		30,000
<b>Total</b>		<b>1,36,000</b>	<b>Total</b>		<b>1,36,000</b>

On 1<sup>st</sup> April, 2011, they admitted Girish on the following terms:

1. For 1/5<sup>th</sup> share in future profits, Girish should bring ₹ 20,000 for his capital and ₹ 10,000 for goodwill in cash.
2. Half of the amount of goodwill be withdrawn by old partners.
3. The stock is to be depreciated by 10% and Machinery by 5%.
4. R.D.D. be maintained at ₹ 2,000.
5. Furniture should be appreciated upto ₹ 10,700 and building be appreciated by 20%.

**Pass the necessary journal entries and open Revaluation A/c and Cash A/c in the books of the firm.**

- Q.5.** With the help of the Balance Sheet and Receipts and Payments Account of Adarsh Cultural Club, Mumbai, prepare Income and Expenditure Account for the year ended 31<sup>st</sup> March , 2013 and the Balance Sheet as on the date: **(12)**

**Balance Sheet as on 31<sup>st</sup> March, 2012**

Liabilities	Amt. (₹)	Assets	Amt. (₹)
Capital fund	2,57,000	Buildings	2,50,000
Building fund	50,000	Furniture	20,000
Outstanding Salary	1,300	Outstanding Subscription	1,000
		Cash in hand	2,400
		Cash at Bank	34,900
	<b>3,08,300</b>		<b>3,08,300</b>

**P.T.O.**

**Dr. Receipts and Payments Account for the year ending 31<sup>st</sup> March, 2013 Cr.**

Receipts	Amt. (₹)	Payment	Amt. (₹)
<b>To Balance b/d</b>		By Salaries	35,300
Cash in hand	2,400	By Furniture (Purchased	
Cash at bank	34,900	on 01.10.2012)	10,000
<b>To Subscriptions</b>		By General expenses	8,400
2011- 12            1,000		By Printing and Stationery	4,200
2012 – 13           48,000		By Drama expenses	16,000
2013-14            2,000	51,000	<b>By Balance c/d</b>	
To Donations for building fund	20,000	Cash in hand	4,600
To Drama receipts	28,000	Cash in bank	57,800
	<b>1,36,300</b>		<b>1,36,300</b>

You are also required to consider the additional information given below:

1. The club had 100 members, each paying ₹ 500 as annual Subscription.
2. Furniture to be depreciated at 20% p.a.
3. Salaries include ₹ 1,300 paid for outstanding salaries for the year 2011 – 12. Salaries outstanding for the year 2012 – 13 were ₹ 700.

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**SHAH**  
EDUCATIONAL ACADEMY  
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**S.Y.J.C./ V.C.R.**  
**02/10/2019**

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**P.T.O.**

Q. 2.

In the books of Mr. Yogesh.

**Opening Statement of affairs as on 1<sup>st</sup> April, 2013**

Liabilities	₹	Assets	₹
Sundry Creditors	36,000	Bank Balance	36,000
Bills payable	16,500	Cash Balance	7,500
Capital	2,10,000	Sundry Debtors	90,000
		Stock	60,000
		Furniture	9,000
		Machinery	60,000
<b>Total</b>	<b>2,62,500</b>	<b>Total</b>	<b>2,62,500</b>

**Closing statement of affairs as on 31<sup>st</sup> March 2014**

Liabilities	₹	Assets	₹
Capital	2,58,000	Bank	27,000
Sundry Creditors	60,000	Cash	9,000
Bills Payable	27,000	Sundry Debtors	1,20,000
		Stock	90,000
		Furniture	9,000
		Machinery	90,000
<b>Total</b>	<b>3,45,000</b>	<b>Total</b>	<b>3,45,000</b>

**Statement of Net Profit / Loss as on 31<sup>st</sup> March 2014**

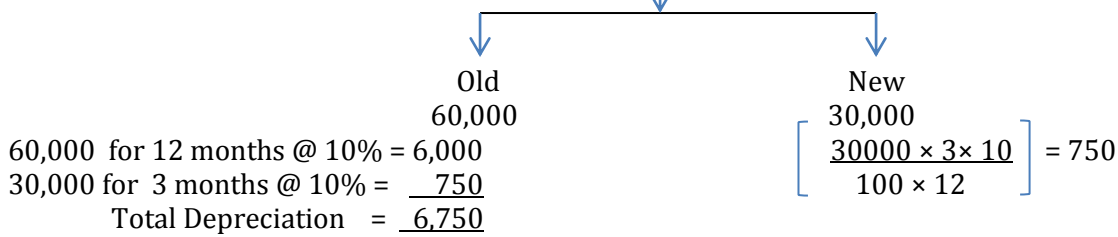
Particulars	₹	₹
Closing Capital		2,58,000
Add: 1) Drawings		22,500
		2,80,500
Less:- 1) Additional Capital Introduced		7,500
2) Adjusted closing capital		2,73,000
Less Opening Capital		2,10,000
Net Profit before adjustment		63,000
Less:- 1) Depreciation on Machinery	6,750	
2) Depreciation on Furniture	900	
3) R.D.D.	2,400	
4) Stock Over Value	15,000	25,050
		<b>37,950</b>
	<b>Profit for Year</b>	

**P.T.O.**

**Working Note 1:-** For Depreciation on Machinery

Total machinery

90,000



**Working Note 2:-** To find out original value of stock

Let original Value = 100  
 Add 20% over value = 20  
 Present Value = 120  
 When Present Value 120 original Value 100  
 When Present Value 90,000 ?  
 $\frac{90,000 \times 100}{120} = 75,000$

**Q.3. In the book of firm Shah, Mehta & Patel**

**Realisation A/c**

Particulars	₹	₹	Particulars	₹	₹
<b>To Sundry Assets</b>			By R.D.D.		1,000
Debtors	16,000		<b>By Sundry Liabilities</b>		
Stock	20,000		Creditors	20,000	
Machinery	30,000		Bills Payable	5,000	25,000
Furniture	6,000	72,000	<b>By Cash / Bank A/c</b>		
<b>To Cash / Bank A/c</b>			Debtors	9,000	
Creditors	18,000		Machinery	26,000	
Bills Payable	5,000	23,000	Stock	14,000	
<b>To Cash/ Bank A/c</b>			Furniture	3,000	52,000
(Realisation expense)		3,000	<b>By Loss transferred</b>		
			Shah (2/5)	8,000	
			Mehta (2/5)	8,000	
			Patel (1/5)	4,000	20,000
		<b>98,000</b>			<b>98,000</b>

**Partners' Capital A/c**

Particulars	Shah	Mehta	Patel	Particulars	Shah	Mehta	Patel
To balance b/d	----	----	3,000	By Balance b/d	25,000	10,000	-----
To Realisation A/c	8,000	8,000	4,000	By General Reserve	2,400	2,400	1,200
To Patel's Capital	2,000	2,000	----	By Cash / Bank A/c	----	----	1,800
To Cash/Bank A/c	17,400	2,400	----	By Shah's Capital A/c	----	----	2,000
				By Mehta's Capital	----	----	2,000
	<b>27,400</b>	<b>12,400</b>	<b>7,000</b>		<b>27,400</b>	<b>12,400</b>	<b>7,000</b>

**P.T.O.**

**Cash / Bank A/c**

Particulars	₹	Particulars	₹
To Balance b/d	8,000	By Realisation A/c	23,000
To Realisation A/c	52,000	By Realisation A/c	3,000
To Patel's Capital A/c	1,800	By Shah's Loan A/c	16,000
		By Shah's Capital A/c	17,400
		By Mehta's Capital A/c	2,400
	<b>61,800</b>		<b>61,800</b>

**Shah's Loan A/c**

Particulars	₹	Particulars	₹
To Cash / Bank A/c	16,000	By Balance b/d	16,000
	<b>16,000</b>		<b>16,000</b>

**Q.4. In the books of Namita, Rupali & Girish**

**Dr. Revaluation A/c Cr.**

Particulars	₹	₹	Particulars	₹	₹
To RDD (new)	2,000		By Furniture A/c		1,300
(-) old	1,600	400	By Building A/c		6,000
To, Stock A/c		2,400			
To, Machinery A/c		1,000			
To Profit transferred					
Namita (3/5)	2,100				
Rupali (2/5)	1,400	3,500			
		<b>7,300</b>			<b>7,300</b>

**Dr. Partners Capital A/c Cr.**

Particulars	Namita	Rupali	Girish	Particulars	Namita	Rupali	Girish
To Cash/ Bank A/c	3,000	2,000	-----	By balance b/d	30,000	24,000	----
				By General Reserve	3,000	2,000	----
				By Cash/ Bank A/c	----	----	20,000
				By Goodwill A/c	6,000	4,000	----
				By Revaluation	2,100	1,400	----
To, Balance c/d	38,100	29,400	20,000				
	<b>41,100</b>	<b>31,400</b>	<b>20,000</b>		<b>41,100</b>	<b>31,400</b>	<b>20,000</b>

**Dr. Cash/Bank A/c Cr.**

Particulars	₹	Particulars	₹
To, Balance b/d	5,000	By Namita's capital A/c	3,000
To Girish's Capital A/c	20,000	By Rupali's Capital A/c	2,000
To Goodwill A/c	10,000	By Balance C/d	30,000
	<b>35,000</b>		<b>35,000</b>

**Dr. Goodwill A/c Cr.**

Particulars	₹	Particulars	₹
To Namita's Capital A/c	6,000	By Cash / Bank A/c	10,000
To Rupali's Capital A/c	4,000		
	<b>10,000</b>		<b>10,000</b>



**New Balance Sheet as on .....(After Admission)**

<b>Liabilities</b>	<b>₹</b>	<b>₹</b>	<b>Assets</b>	<b>₹</b>	<b>₹</b>
Partner's capital			Bills Receivable A/c		7,600
Namita	38,100		Debtors	41,600	
Rupali	29,400		Less:- RDD	2,000	39,600
Girish	20,000	87,500	Stock A/c	24,000	
Creditors A/c		25,000	Less:- Written off	2,400	21,600
Bills payable A/c		20,000	Furniture A/c	9,400	
Bank Loan A/c		32,000	Add:- Appreciation	1,300	10,700
			Machinery A/c	20,000	
			Less:- Depreciation	1,000	19,000
			Building A/c	30,000	
			Add:- Appreciation	6,000	36,000
			Cash / Bank A/c		30,000
		<b>1,64,500</b>			<b>1,64,500</b>

**Working Notes:-**

<b>W.N. 1.</b>	<b>Namita</b>	<b>Rupali</b>	<b>Girish</b>
Old Ratio	3/5	2/5	
New Ratio	12/25	8/25	1/5 = 5/25
Sacrifice Ratio	3	2	

**Journal of Namita, Rupali & Girish**

<b>Date</b>	<b>Particulars</b>		<b>L.F.</b>	<b>Debit ₹</b>	<b>Credit ₹</b>
	General Reserve A/c To Namita's Capital A/c To Rupali's Capital A/c (Being.....)	Dr.		5,000	3,000 2,000
	Cash A/c To Girish's Capital A/c (Being.....)	Dr.		20,000	20,000
	Cash A/c To Goodwill A/c (Being.....)	Dr.		10,000	10,000
	Goodwill A/c To Namita's Capital A/c To Rupali's Capital A/c (Being.....)	Dr.		10,000	6,000 4,000
	Namita's Capital A/c Rupali's Capital A/c To Cash/ Bank A/c (Being.....)	Dr. Dr.		3,000 2,000	5,000
	Revaluation A/c To Stock A/c To Machinery A/c To R.D.D. A/c (Being.....)	Dr.		3,800	2,400 1,000 400
	Furniture A/c Building A/c To Revaluation A/c (Being.....)	Dr. Dr.		1,300 6,000	7,300
	Revaluation A/c To Namita's Capital A/c To Rupali's Capital A/c (Being.....)	Dr.		3,500	2,100 1,400

Q.5.

**In the book of Adarsh Cultural Club  
Income & Expenditure Account as on 31<sup>st</sup> March, 2013**

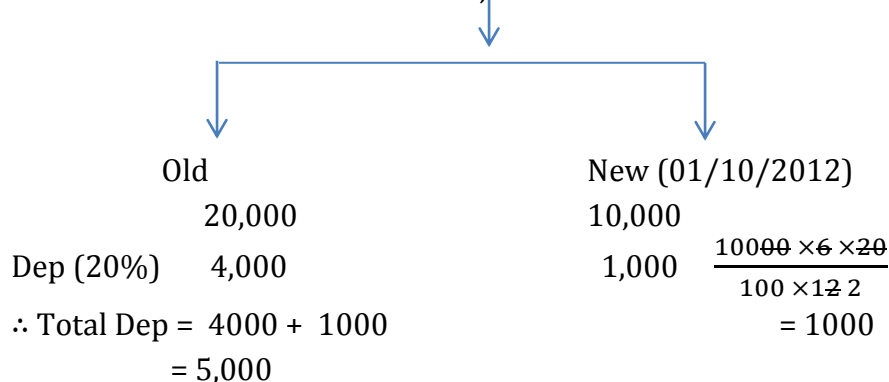
Expenditure	₹	₹	Income	₹	₹
To Salaries	35,300		By Subscription	51,000	
(+) Outstanding of C.Y.	700		(+) Receivable of C.Y.	2,000	
(-) Prepaid of C.Y.	----		(-) Advance of C.Y.	2,000	
(-) Outstanding of L.Y.	1,300		(-) Receivable of L.Y.	1,000	
(+) Prepaid of L.Y.	----		(+) Advance of L.Y.	---	
(+) Still Outstanding of L.Y.	----	34,700	(+) Still Receivable of L.Y.	---	50,000
To General Expenses		8,400	By Drama receipts		28,000
To Printing & Stationery		4,200			
To Drama expense		16,000			
To Depreciation on Furniture		5,000			
To Surplus		9,700			
<b>Total</b>		<b>78,000</b>	<b>Total</b>		<b>78,000</b>

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

Liabilities	₹	₹	Assets	₹	₹
Capital Fund	2,57,000		Buildings		2,50,000
(+) Surplus	9,800	2,66,700	Furniture	20,000	
Building Fund		50,000	(+) Purchases	10,000	
Donations for building fund		20,000	(-) Depreciation	5,000	25,000
Subscription Received in Advance		2,000	Cash in hand		4,600
Salaries Outstanding		700	Cash at Bank		57,800
			Subscription Receivable of C.Y.		2,000
<b>Total</b>		<b>3,39,400</b>	<b>Total</b>		<b>3,39,400</b>

Working Note:- To find out depreciation on furniture

Total furniture = 30,000



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