

Professor Vishwanathan Iyer's

HERAMB COACHING CLASSES

Yogeshwar Towers, Katemanivali, Kalyan (East)

Date: 29/09/17

XII/Book Keeping

Marks: 30

Duration: 1 Hour

Q.1. From the following trial Balance of Kalu and Bhalu, you are required to prepare Trading and Profit and Loss Account for the year ended on 31st March 2000 and Balance as on that date after taking into consideration the following adjustments: **(15)**

Debit Balances	Rs.	Credit Balance	Rs.
Opening Stock	30,000	<u>Capital Accounts:</u>	
Purchases	50,000	Kalu	50,000
Return inwards	2,000	Bhalu	75,000
Debtors	40,000	Bills Payable	12,000
Insurance (for 3 years) (w.e.f. 1/10/1999)	6,000	Creditors	30,000
Carriage inwards	500	Sales	70,000
Wages	1,500	Return Outward	2,500
Salaries	2,500	Wages Outstanding	1,600
Bills Receivable	5,000	Commission	400
Sundry Expenses	500	Discount	500
<u>Drawings:</u>			
Kalu	1,500		
Bhalu	2,500		
Machinery (Purchased on 1-1-2000)	30,000		
Buildings	53,000		
Repairs to Building	7,000		
Carriage Outwards	1,000		
Rent	700		
Advertisement	2,300		
Cash in Hand	6,000		
	2,42,000		2,42,000

Adjustments:

- (1) Kalu and Bhalu share profits and losses in the ratio of their capital contribution
- (2) Closing stock was valued at cost Rs. 25,500 and at market price Rs. 30,000
- (3) Outstanding Expenses Rent Rs. 300, Advertisement Rs. 700
- (4) Depreciate Machinery and Building at 10% p.a.
- (5) Goods worth Rs.10,000 were destroyed by fire and Insurance Company admitted a claim of Rs. 6,500 only.
- (6) Goods of Rs. 1,000 were taken over by Kalu for his personal use, were not recorded in the books of accounts.

Q.2. Avni and Kamini are partners sharing profits and losses in the ratio of 3:1. Following is the Trial Balance as on 31st December, 2003. (15)

Debit	Rs.	Credit	Rs.
Land and Building	50,000	Avni's Capital	1,00,000
Machinery	40,000	Kamini's Capital	80,000
Salary and Wages	21,000	Sales	3,02,000
Cash at Bank	45,000	Returns	5,500
Cash in Hand	6,100	Creditors	35,000
Office Expenses	1,000	Bills Payable	33,000
Motor Vans	28,000		
Avni's Drawings	11,000		
Kamini's Drawings	11,000		
Carriage	5,000		
Purchases	2,10,000		
Returns	2,000		
Bad Debts	1,000		
Debtors	42,800		
Rent	1,100		
Printing and Stationery	1,500		
Traveling Expenses	5,500		
Stock (1.1.2003)	30,000		
Insurance	1,500		
Discount	8,000		
Advertisement	4,000		
Furniture	30,000		
	5,55,500		5,55,500

- (1) Closing stock was valued at Cost Price Rs.61,000, which is more than Market Price by Rs.1,000.
- (2) Goods worth Rs.5,000 were destroyed by fire & insurance co. admitted claim of Rs.4,000/-
- (3) Outstanding expenses: Rent Rs.100 and Salary Rs.500.
- (4) Provide Depreciation at 10% on Machinery and 5% on Furniture.
- (5) Write off Rs.800 as Bad debts and provide Rs.1,500 for R.D.D on Debtors.
- (6) Interest on Capital @ 5% p.a. is to be provided. Kamini is entitled for salary of Rs.6,000 p.a.

Prepare Trading and Profit and Loss Account and Balance Sheet as on that date.

