

Exam Seat No: _____

Enrollment No: _____

C.U.SHAH UNIVERSITY

WADHWAN CITY

University (Winter) Examination -2013

Course Name :B.Com Sem-I

Subject Name: -Accountancy –I

Marks :70

Duration :- 2:30 Hours

Date : 20/12/2013

Instructions:-

- (1) Attempt all Questions of both sections in same answer book / Supplementary.
- (2) Use of Programmable calculator & any other electronic instrument is prohibited.
- (3) Instructions written on main answer Book are strictly to be obeyed.
- (4) Draw neat diagrams & figures (If necessary) at right places.
- (5) Assume suitable & Perfect data if needed.

SECTION-I

- Q1 (a) Name Accounting Standard 1 & 3. 2
- Q1 (b) State in brief meaning of Nonprofit Organization. 2
- Q1(c) State any 2 advantages & 1 limitation of accounting. (2 +1)
- Q2 (a) Define Accounting & State its Characteristics. 5
- Q2 (b) Explain Problems arising on amalgamation. 5
- Q2(c) Write a note on Accounting standard 2 valuation of inventory. 4

OR

- Q2 (a) Write a note on utility of accounting standard. 5
- Q2 (b) State difference between Receipt Payment & Income Expenditure account. 5
- Q2(c) Explain Deferred revenue expenditure. 4

Q3 The firm of A & B and that of C & D agreed to amalgamate .A & B used to share profits & losses in the ratio 3:2 on that date the Balance sheet of A & B stood as follows.

Balance Sheet of A & B

Liabilities	Amount	Assets	Amount
Capital		Land	30000
A	40000	Building	10000
B	10000	Investment	6000
Reserve Fund	10000	Stock	40000
Creditors	50000	Debtors	14000
Bank OD	20000	Cash	30000
Total	130000	Total	130000

1. Land & building to be raised by 20 %.
 2. Stock to be valued at 37000.
 3. Goodwill to be valued at 5000.
 4. Baddebt reserve to be provided 3% on debtors.
 5. The new firm not to take over Investment of A & B.
- (a) Prepare necessary accounts to close books of A & B. 7

1/4



20-B

(b)Draft journal entries for taking over assets & liabilities of the firm of A & B in new firms book. 7

OR

Q3 From the following Trial Balance of the Adarsh Education Society as at 31st march 2010, prepare

(a) Income Expenditure account

7

(b)Balance sheet

Particulars	Debit	Credit
Furniture	12500	-
Addition to furniture during the year	3200	-
Library books	17500	-
Addition to Library books during the year	4300	-
Building	275000	-
Investment	150000	-
Investment reserve fund	-	15000
Debtors & Creditors	5000	14500
Entrance fees	-	15200
Subscription received	-	22900
Hire of society hall	-	6500
Interest realized on investment	-	5500
Sundry receipt	-	600
Salaries	10100	-
Printing &stationary	1000	-
Insurance & taxes	900	-
Sundry expenses	2175	-
Prize trust fund	-	16000
Prize trust investment	15800	-
Prize trust income	-	650
Prize awarded	450	-
Prize fund bank balance	275	-
Donations	-	18000
Capital fund	-	389150
Cash at bank	5500	-
Cash on hand	300	-
Total	504000	504000

1. Subscription to be received Rs.4500.
2. Subscription received in advance Rs.500.
3. Total interest on investmentRs.5950.
4. Salary outstanding Rs.1800.
5. Insurance & Taxes paid in advance for 3 months Rs.75 per month.
6. Provide depreciation as under. Library books 15% p.a., Furniture 5% p.a., Building 1% p.a.



SECTION-II

- Q4 (a) Name two methods of piecemeal distribution of cash among partners. 2
 Q4 (b) Name two methods of joint life policy. 2
 Q4(c) Name any three accounts in self balancing ledger. 3
 Q5 (a) Explain meaning of piecemeal distribution of cash among partners. 5
 Q5 (b) Explain in detail methods of piecemeal distribution of cash among partners. 5
 Q5(c) Discuss in detail methods of joint life policy. 4

OR

Q5 Prepare from below information.

- (a) Sales ledger adjustment account. 5
 (b) General ledger adjustment account. 5

Particulars	Amount	Particulars	Amount
Opening Balance	30000	Bills receivable	15000
Total sales for the month	90000	Bills Dishonored	1500
Sales return	500	Bad debt	350
Cash received from debtors	40000	Transfer from another ledger	750
Discount allowed to debtors	400	Bills receivable endorsed to supplier	1200

(c) Draw a format (Performa) of any one account in self balancing ledger. 4

Q6 A, B and C who were sharing profits and losses in the proportion of 3:2:1 decided to dissolve the firm on 1-4-2010 when their state of affairs was as follows.

Liabilities	Amount	Assets	Amount
Capital A/C		Sundry Assets	45000
A	20000	Cash	5000
B	12000		
C	4000		
Creditors	14000		
	50000		50000

Assets realized gradually as under in three instalments: Rs8000, Rs 13000, Rs 12000. Prepare statement showing piecemeal distribution of cash in due order.

(a) Working note

(b) Statement showing piecemeal distribution of cash among partners

7

7

OR

3/4



20-B

Q6 (a) A, B and C are partners sharing profits and losses equally. The capitals were Rs.50000 Rs 70000 and Rs 60000 respectively on 31/12/2006.They took out a joint life policy of Rs 120000 on 1/1/2007 in order to provide for the amount payable to representative of a partner on his death, annual premium being Rs.8000.The annual premium is to be paid on 1st January every year. The accounting year of the firm closes on 31st December. A died on 25th April, 2010 and the firm received policy money on 16/5/2010.The premium is charged as revenue expenditure to profit and loss account. You are required to give journal entries to record above transaction.

7

Q6 (b) H, T and K are partners sharing profits and losses in the ratio of 2:2:1.They took out a joint life policy for Rs. 25000 on 1/4/94 and paid the annual premium of Rs.2000.Their accounting year ends on 31st march. K expired on 15th may 1998. The premium is considered as a capital expense in the books of the firm .Insurance company paid the amount of policy on 10/6/1998 with bonus of Rs.5000.Prepare joint life policy account in the books of the firm.

7

*****20*****

