

Time: 2½ Hours

ACCOUNTANCY

Subject Code

H	6	0	5
---	---	---	---

Total No. Of Questions: 6

(Printed Pages: 11)

Maximum Marks: 80

- INSTRUCTIONS:**
- (i) All questions are compulsory.
 - (ii) Figures to the right indicate full marks allotted to each question.
 - (iii) Simple and non-scientific calculator is allowed.
 - (iv) Mobile phones and wristwatches or any such gadgets are not allowed.
 - (v) Working notes should form part of the answer.
 - (vi) Answer each question on a fresh page.

Q.1 (A) Choose the correct alternative and complete the statement given below - [1]

On retirement capital balance due to retiring partner is transferred to-----.

1. Drawing Account
2. Executors Loan Account
3. His Loan Account
4. Capital Account

- (B) From the following items of Prajoti Ltd. prepare a Balance sheet in a vertical format with major heads as on 31st March 2012. [12]

	Amount
Land and Building	11,20,000
Provision for Taxation	12,000
Investment in UTI Bonds	9,57,000
Profits & loss A/C (Dr)	1,40,000
Capital Redemption Reserve	20,000
Share Capital	20,00,000
Sundry Creditors	35,000
Short Term Loan from Bank	1,10,000
General Reserve	60,000
12% Debentures	3,00,000
Bills Receivable	2,50,000
Securities premium	30,000
Loose Tools	60,000
Cash and Bank Balance	40,000

(B) State any four contents of Partnership Deed.

[2]

(C) Surya and Chandra are partners sharing profits and losses in the ratio of 3:2. Their Balance sheet as on 31st march 2012 was as follows.

Balance sheet as on 31st march 2012

Liabilities	Amount	Assets	Amount
<u>Capital-</u>			63,000
Surya	1,00,000	Building	
Chandra	80,000	Plant & Machinery	80,000
General Reserve	10,000	Furniture	50,000
Creditors	50,000	Stock	23,000
Bills payable	30,000	Debtors	35,000
		<u>Less-P.B.D</u>	<u>3,000</u>
			32,000
		Cash in hand	22,000
	2,70,000		2,70,000

They agreed to admit Mr Moon as a partner on 1-4-2012, on the following terms:

1. Mr Moon to pay ₹ 60,000 as his share of Capital and ₹ 15,000 as his share of goodwill, for $\frac{1}{4}$ share in future profit.

2. The assets are to be revalued as under:

Building ₹ 83,000; Plant & Machinery reduced by ₹ 8,000 & Furniture is to be depreciated by 10%.

3. Provision for bad and doubtful debt be raised to 10% on debtors.

4. One workman was injured and compensation of ₹ 1000 payable to him is to be provided for in the books.

Prepare – 1. Revaluation A/C

[3]

2. Partners Capital A/C

[4]

3. Balance sheet of the new firm on 31 March 2013

[5]

OR

- (C) Ganga, Kashi & Prayag were partner sharing profits and losses in the ratio of 5:3:2.
Their Balance sheet as on 31st March 2011 was as under.

Balance sheet as on 31st march 2011

Liabilities	Amount	Assets	Amount
Ganga's Capital	1,20,000	Land & Building	2,00,000
Kashi's Capital	90,000	Machinery	30,000
Prayag's Capital	80,000	Computer	26,000
Profit & loss A/C	25,000	Stock	40,000
Creditors	78,500	Debtors	68,000
		Cash- in- hand	29,500
	3,93,500		3,93,500

Prayag died on 1st Oct. 2011 and it was agreed between the legal representatives of Prayag and the remaining partners that –

1. Land & Building appreciated by 10%, Machinery depreciated by 15%, Stock is revalued at ₹ 45000.
2. Provision for bad & doubtful debts is to be 5% on debtors.
3. Goodwill of the firm is valued at ₹ 60000.
4. Prayag share of profit up to the date of his death be calculated on the basis of previous year profit amounted to ₹ 30000.

- Prepare-
1. Revaluation A/c [3]
 2. Partners Capital A/c [5]
 3. Balance Sheet of the new firm [4]

Q.2 (A) Choose the correct alternative and complete the statement given below.

[1]

When realisation expenses are paid by the firm, such expenses debited to----

- 1) Cash/Bank Account
 - 2) Partners Capital Account
 - 3) Realisation Account
 - 4) Revaluation Account
- (B) Girish, Suresh & Naresh are partners sharing profit and losses in the ratio of 4:3:3. The Balance-Sheet as on 31st March 2011 was as follows.

Balance sheet as on 31st march 2011

Liabilities	Amount	Assets	Amount
<u>Capital:</u>			
Girish	1,20,000	Machinery	1,95,000
Suresh	1,00,000	furniture	1,00,000
Naresh	80,000	Stock	80,000
General Reserve	42,000	Sundry Debtors Rs. 57,000	
Sundry Creditors	85,500	Less: P.B.D. 7,000	50,000
Bills payable	35,000	Cash Balance	37,500
	4,62,500		4,62,500

On the above date they decided to dissolve their firm. The following information was available.

1. Assets realised as follows----

Machinery ₹ 120000, Stock realised at only 70% of book value, Sundry Debtors amounting to ₹ 4500 turned out to be bad.

2. Sundry Creditors were paid at Book Value.

3. Suresh took over furniture at ₹ 90000 and agreed to pay bills payable at book value.

4. Expenses of dissolution amounting to ₹ 10000 paid by Naresh .

Prepare-	Realisation A/C	$5\frac{1}{2}$
	Partners Capital A/C	$4\frac{1}{2}$
	Cash A/C	[2]

Q.3 (A) Choose the appropriate alternative and complete the statement given below - [1]

In a Company Account Debentures are shown under-----

1. Current Liability
2. Provision
3. Reserve & Surplus
4. Secured Loan

(B) Gorakhpura Trading Co. invited applications for 30,000 8% preference shares of ₹ 100 per share, at a premium of ₹ 20 per share for public subscription. Amount on shares was payable as follows----

On Application	₹ 30 per share
On Allotment	₹ 60 per share (including premium)
On first & final call	₹ 30 per share

Applications were received for 32,000 preference shares. Directors have decided to allot 30000 preference shares only and excess application received were rejected and the amount was refunded to the applicants. All the dues are duly received except first and final call money on 1000 shares held by Somesh. Later these shares were forfeited and re-issued at Rs 80 per share as fully paid. Company maintains calls-in-Assents Account.

Prepare- Journal in the books of Gorakhpura Trading Co.

[12]

Q.4 (A) Choose the appropriate alternative and complete the statement given below.

[1]

In the Income statement of a company, Motive power is shown under the head-----

1. Extra Ordinary item
2. Other Income
3. Other Expenses
4. Employees remuneration & benefits

Q.5 (A) Choose the appropriate alternative and complete the statement given below. [1]

The statement showing the profitability and financial position of the firm for different period of time is known as

1. Comparative statements
2. Ratio Analysis
3. Common Size statement
4. Cash-flow statement

(B) Prepare a common size Income statement with major headings, from the following information, as on 31st March 2013 [6]

	Amount
Cost of Raw Material	60,000
Preliminary Expenses written off	2,100
Interest on Loan	3,000
Employees Remuneration and Benefits	23,000
Sales	2,56,000
Depreciation	12,800
Provision for taxation	10,500
General Reserve	15,000
Directors-fees	9,000

(C) (1) From the following information, calculate Current Ratio -

[3]

Bills payable	52,000	Cash-in-hand	86,500
Machinery	2,50,000	Prepaid Insurance	5,000
Stock	86,000	Creditors	28,000
Debtors	62,500		

(2) From the following information, calculate Return on Investment -

[3]

Equity Share Capital	₹ 2,10,000
10% Preference Share	₹ 2,00,000
Profit & Loss Account (Cr)	₹ 75,000
8% Debenture	₹ 80,000
Current Liabilities	₹ 5,50,000
Net Profit before interest & tax	₹ 1,45,000
Discount on issue of Share	₹ 8,000

Q.6 (A) Choose the appropriate alternative and complete the statement given below - [1]

Cash purchase of Investment creates cash flow from-

1. Investing Activities
2. Operating Activities
3. Cash Equivalent
4. Financing Activities

(B) From the following information, prepare a Cash Flow statement of Suraj Ltd. (as per

AS-3, Revised) [10]

& Machinery A/c [2]

Balance sheet as on 31st March 2011

Liabilities	2010	2011	Assets	2010	2011
Equity share capital	5,00,000	7,50,000	Machinery	3,70,000	2,50,000
Redeemable Prf.			Bill Receivable	42,000	32,000
Share	2,50,000	1,00,000	Stocks	65,000	75,000
Bank overdraft	30,000	46,000	Debtors	1,83,000	3,56,000
Profit & Loss A/c	20,000	30,000	Cash	2,30,000	3,45,000
Creditors	90,000	1,32,000			
	8,90,000	10,58,000		8,90,000	10,58,000

Additional Information-

1. Machinery having the book value of ₹ 1,20,000 was sold for ₹ 80,000.
2. Depreciation provided during the year amounted to ₹ 50,000.

----- X ----- X -----